

## EEC chiefs protest in Washington

Three EEC commissioners descend on Washington tomorrow to protest at American writs brought against European steel producers for alleged dumping. American officials will no doubt draw the commissioners' attention to growing protectionism, not only by the EEC as a whole but by individual member states against one another. **Page 5**

## Tougher rules on fines sought

Tougher sanctions involving more use of the threat of imprisonment to enforce payment of fines are sought by the Justice Clerks Society, which is disappointed that no provision for stricter fines procedures has been made in the Criminal Justice Bill. **Page 2**

## Thais capture warlord's den

Thai Government forces have captured a prosperous town built and run by an opium warlord in the Golden Triangle five miles from the Burmese frontier. The strongly-built brick houses and shops contrast with the bamboo shacks of neighbouring villages. **Page 6**

## MP likely to win reselection fight

Mr Benjamin Ford, Labour MP for Bradford, North, is likely to win his appeal today against the selection of a Militant Tendency supporter to replace him as the party's prospective candidate for the next general election. **Page 2**

## Closure threat to art gallery

The closure of Manchester City Art Gallery is being considered by council officials in the latest round of spending reductions. If implemented, the gallery's 2,000 oils and 5,000 watercolours would go into storage. **Page 2**

## BL may halt trucks funding

BL could decide to halt investment in its new range of light trucks when the board meets this week for the first time since strikes began at Leyland commercial vehicle plants. **Page 11**

## Security talks' fate in balance

European foreign ministers are gathering in Madrid for the first session of the security review conference since Christmas. But an East-West confrontation over the imposition of martial law in Poland could turn it into the final session after 15 months of debate. **Page 4**



## Deng retirement arouses fears

Mr Deng Xiaoping's retirement from an active role in the administration of China has surprised observers of Chinese affairs and caused concern about the country's future. Opposition to his liberalizing policies has been growing among senior military commanders and bureaucrats. **Page 4**

## Another gold

June Croft ended the Arena swimming meeting in Paris with her fourth gold medal, in the 100 metres freestyle. The British squad ended with six gold medals. **Page 15**

## Leader page, 9

Letters: On the rail strikes, from Mr T. R. Thomas; and others; EEC Budget, from Mr Robert Jackson; MEP; conserving the countryside, from Mr Derek Barber.

## Leading articles: Privatization

Features, pages 6 and 8  
Why the SDP is backing Mr Tebbit's bad Bill: Ian Bradley says you cannot keep the middle classes down; the lead in petrol noisier than children; profile of James Prior.

|                |                 |
|----------------|-----------------|
| Home News 2, 3 | Prem Bonds 10   |
| Overseas 4, 5  | Property 10     |
| Arts 13        | Religion 10     |
| Books 7        | Science 2       |
| Business 11-14 | Snow reports 18 |
| Court 10       | Sport 15-18     |
| Crossword 21   | TV & Radio 21   |
| Direc 22       | Theatre, etc 31 |
| Law Report 10  | 25 Years Ago 10 |
| Lure cartoon 2 | Weather 22      |
| Parliament 10  | Wills 10        |

# Reagan slashes welfare as budget deficit soars

From Bailey Morris, Washington, Feb 7

President Reagan has sent a controversial \$758,000m (€407,720m) budget to Congress asking for unprecedented cuts in domestic spending in fiscal 1983 and projecting huge deficits, continuing high interest rates and steep unemployment for the next three years.

Announcing his intention "to stay the course", Mr Reagan admitted his prescription of even steeper cuts in social programmes is bitter medicine, but he said Congress and the American people must swallow it to avert the greater ill of "destructive inflation and financial disorder".

The new budget for the year beginning in October calls for spending of \$757,600m and expected revenue of \$66,000m, which would result in a deficit of \$91,500m. It calls for an 18 per cent increase in defence spending to finance the biggest peacetime military build-up in history.

The size of the projected deficits and the prospect of continuing high interest rates sent shudders through Republicans, but elicited more predictable responses from Democrats. Under Mr Reagan's projections, the deficit would drop only slightly to \$83,000m in 1984 and to \$72,000m in 1985.

Mr Ted Stevens, the assistant Republican leader in the Senate, said he "was in a state of shock" while listening to the budget forecasts at a special briefing for Congressmen last Friday.

Mr Robert Dole, Republican chairman of the Senate Finance Committee, said: "I do not think it is a clear enough signal that we mean business about reducing the deficit".

Almost immediately, Democratic leaders said they would propose an alternative budget, delaying the Reagan tax cuts totalling \$750,000m over the next five years and changing the pattern of spending cuts, possibly to include defence.

If Congress approved all that Mr Reagan asks, government spending for most programmes excluding defence would be cut by 16.5 per cent next year, and even more taking into account inflation.

The effect of the cuts would be about three times greater than the Reagan spending reductions last year which generated a fierce debate over the Administration's intentions. Critics described them as

## Alliance to have one leader for election

By Anthony Bevins, Political Correspondent

The Social Democrats and the Liberals have agreed to go into the next general election with one leader of the alliance, an MP who would become Prime Minister in the event of an alliance victory.

The undisputed favourite for the post will be Mr Roy Jenkins, who is campaigning for a return to Parliament in the Glasgow, Hillhead, by-election.

Mr David Steel, the Liberal leader, announced the agreement yesterday following a two-day joint discussion between the party leaders at Kidlington Hall in Oxfordshire.

He said in an interview on the BBC radio World this weekend programme: "There were, the supposed contenders, sitting around discussing the merits of various proposals ourselves how best we should proceed. And what we did agree on, and this was a unanimous view, was that we cannot go into the election with two party leaders, saying: 'Well, whichever gets the larger number of seats is to be the Prime Minister'."

Mr Steel said that option had been debated and had now been ruled out. He explained: "What that means is that when the SDP have decided who their leader is going to be, which they will do this week, we will then put our heads together and decide, and tell the electorate long before the election who, in the event of our forming a government, would in fact lead that government."

It appeared last night that the alliance leader would be chosen by the leaderships of the two parties, without formal consultation with party members. And it was suggested that the joint leader, or chairman, need not necessarily be a leader of either party; a figure who would keep Mr Jenkins firmly in the running even if he were not returned as the MP for Glasgow, Hillhead, and even if he failed to beat Mrs Shirley Williams for the SDP leadership this autumn.

One major implication of the Kidlington Hall agreement is that the leadership will not now be determined by the random factor of parliamentary seats won by each party at the general election.

Mrs Williams said yesterday: "We regard that very much as a lottery". She also



Investigating the mystery of cot deaths: A baby's heart and breathing rhythm is recorded by Dr Elliot Shinebourne at Brompton Hospital, London, during trials aimed at preventing cot deaths. (Report, page 2).

## The freight business BR may not win back

By Michael Bailly, Transport Correspondent

The train drivers' strike is inflicting a deep and lasting wound on British Rail, but hurrying its customers far less, the latest surveys show.

Most at risk after four weeks' mounting damage are freight business and the rural passenger lines. The latter—the 3,000 miles in Scotland, Wales and other country—has been hit by successive governments' declared almost sacrosanct—must now be regarded as highly vulnerable when the time comes for an inevitable strategy review by BR and the Department of Transport.

As a BR spokesman said yesterday: "How can the Government go on claiming that these lines are kept open because they are indispensable, when the past month has shown clearly that they are not?"

But if branch line closures are the most politically sensitive BR itself is more concerned about the effect on the "commercial railway", Inter-City passenger and freight business.

In particular it is worried about the huge loss of freight traffic that £20m to £25m more than half the road haulage firms will be far harder to win back than Inter-City passengers.

Road hauliers have leapt in to serve rail's best freight customers. In many cases they have demanded, and won, a year's contract to handle the strike-bound traffic.

Worst hit has been general merchandise, grain, food and drink, steel products, which have demanded, and won, a year's contract to handle the strike-bound traffic.

Around 80 per cent of the last overnight Speedlink burst in the north-east, and the Associated Society of Locomotive Engineers and Firemen's new pattern of disruption this week will probably bring it completely to a halt.

"We will probably only have trains on Friday night and we cannot run a service like that on one night a week," a BR spokesman said yesterday. "We have four or five days of no traffic, but now our customers are saying: 'You promised us total reliability and now, only a year after getting the traffic, here you are on strike'."

Mr Steel also disclosed yesterday that it had been agreed to force the pace of local consultations on the allocation of parliamentary seats between the parties.

Mr Steel said yesterday that the latest opinion poll, reflecting a slump of alliance support from 44 per cent last November to 34 per cent last week, according to a Market and Opinion Research International (MORI) survey published in the Sunday Times, was in part a reflection of the need to complete the process of seat allocation.

Yesterday's poll gave the alliance 34 per cent compared with 33 per cent for the Conservatives and 31 per cent for Labour, with 2 per cent for others, but Mrs Williams said last night that she felt the figures reflected a blip rather than a trend. She said that other Kidlington decisions to fight a joint campaign in the forthcoming local elections and to form joint policy programmes would help to restore alliance standing.

## Secret letter reveals risk to children of lead in petrol

By George Brock

A remarkable confidential letter written by the Government's leading medical adviser to several Whitehall chiefs last year reveals for the first time his fears about the dangers to children's health from lead in petrol.

Sir Henry Yellowlees, Chief Medical Officer at the Department of Health and Social Security, gave a warning in the letter that "there is a strong likelihood that lead in petrol is permanently reducing the IQ of many of our children".

The letter, which has been passed to The Times by the campaign for lead-free air (CLEAR), discloses fears which have been voiced in Whitehall while the Government's official announcements on the subject have been considerably more measured. Concern over the weekend, Sir Henry declined to comment.

"There is no doubt," the letter says, "that the simplest and quickest way of reducing general population exposure to lead is by reducing sharply or by entirely eliminating lead in petrol." Sir Henry adds that "some hundreds of thousands of children" are affected by the risk.

The letter, which Sir Henry describes it as "an unusual step", was written at the height of the battle in Whitehall last year over the lead in petrol should be reduced, or even completely removed.

"Liquid lead is added to petrol to boost the octane rating and to improve its efficiency; governments have progres-

sively reduced the maximum permitted levels over the past decade. Two months after Sir Henry's letter was written, the Government announced that the maximum level was to be reduced by 1985 from 0.40 grams per litre to 0.15 grams per litre.

It was a sharper reduction than the one favoured by the Treasury and the Department of Energy, who had argued that such a change would add several pence to the price of a gallon of petrol and had pressed for a small cut of 0.040 to 0.035 grams per litre. But the announcement was attacked by critics who said that the Government should have gone further and declared an intention to eliminate lead completely. Whitehall sources said last night that Sir Henry's views were well known at the time of the Government's decision and had been one of several factors affecting the outcome.

Sir Henry's letter makes it clear he was no longer willing to accept the conclusions of the Lawlor Report, a study prepared by a DHSS working party and published in 1980, which challenged the evidence linking lead and brain damage. In an appendix to his letter he lists fresh evidence which is "accumulating all the time—and it always points in the same direction as the existing evidence, so that the health damage becomes steadily stronger blood lead in children".

He describes research being carried out at an EEC laboratory at Ispra in Italy: "Evidence just arrived at my Department indicates that petrol lead may contribute on average about 27 per cent of total blood lead in adults, from all sources (including food), and about 40 per cent of total blood lead in children".

This conclusion does not yet appear to have been accepted by Ministers. Mr Giles Shaw, Under-Secretary at the Department of the Environment in charge of the lead pollution programme, said in a letter to Mr Ernie Roberts, Labour MP for Hackney, North and Stoke Newington, two months ago that petrol lead contributed "less than 10 per cent on average" of blood lead.

Mr Des Wilson, chairman of CLEAR, said last night: "If the Yellowlees letter had been made public at the time, the Government could not possibly have taken the decision that it did." Mr Jeff Rooker, Labour MP for Birmingham, Perry Barr, said last night that he intended to ask whether the decision on lead levels had been taken with the benefit of Sir Henry's assessment.

The lead level set for British petrol by the end of 1985 will bring Britain into line with other EEC countries, but anti-lead campaigners are still pressing the Government to follow the initiative of Japan, the Soviet Union, Australia and the United States, which have all taken steps to eliminate lead entirely.

All Australian cars sold after 1985 will run on lead-free petrol.

Text of letter, page 2  
Des Wilson, page 8

## Horses better off than grooms

By Paul Routledge, Labour Editor

Some grooms working for show jumping stables or riding schools earn less than it costs to keep the horses, a pressure group claimed yesterday. In a report *Closing the Stable Door*, on the wages and working conditions of Britain's estimated 20,000 stable grooms, the Low Pay Unit says that stable owners exploit the dedication of young women workers.

Quoting figures gathered by the unrecognized National Association of Grooms (NAG), the unit says that half the grooms interviewed in a survey earned less than £30 a week last year and one in 10 earned less than £10 a week, which is the amount required to feed a horse. Half the grooms worked up to 50 hours a week.

Case studies cited include one young woman in Gwent who wrote that her job involved working a 60-hour week for £3. "My accommodation was a disgusting caravan which I shared with my workmate. The gas leaked and the oven rarely worked."

In another case a "working pupil" in Ayrshire began work at 6 am and often ended at 9 pm, with one and a half days off in every nine. She received £2 a week pocket money and riding lessons, that rarely materialized.

The author of the report, Mr Simon Crane, writes: "The majority of grooms are young women, many of whom will not be able to afford to stay in the industry as their aspirations and responsibilities increase, because wages are so low and job insecurity is high."

About half the grooms now working have qualifications awarded by the British Horse Society or are working towards this goal. The grooms work in private stables, riding schools and stud farms in numbers varying from one to six. Most employers break the law by not providing a written contract of employment within 13 weeks. Closing the Stable Door by Simon Crane, 75p from the Low Pay Unit, 9 Poland Street, London W1V 3DG.

## Mugabe accuses Nkomo of plot to seize power

Norton, Zimbabwe, Feb 6.—Mr Robert Mugabe, the Zimbabwe Prime Minister, today accused Mr Joshua Nkomo's Patriotic Front (PF) party of plotting an armed take-over of the Government.

He was addressing a rally here in an angry mood after more than 4,000 automatic weapons and Sam 7 ground-to-air missiles were found yesterday on a farm 25 miles from Bulawayo owned by the Patriotic Front. He said Mr Nkomo's party "buys so many farms, which is but a guise for hiding guns". The Patriotic Front, he went on, "joined us in government just to bring us along while planning for an eventual take-over of government". —A.P.

## Settlement within days for Laker tours says receiver

By Michael Clark and Nicholas Timmins

Mr Bill Mackey, the receiver to Laker Airways, hopes to be able to dispose of the tour side of the business "within two or three days", as the Orion Banking Group, a subsidiary of the Royal Bank of Canada, attempted to put together a £35m rescue package for the company and money poured in to private funds set up to try to save the business.

Mr Mackey said yesterday that great interest had been shown in the tour side, both by his own operators and other airlines. He hoped to "build serious talks with them, starting today. Those interested include Thomson Holidays, Cosmos and possibly Intasun."

Of Orion's rescue package, Mr Mackey said: "The serious consideration would be given to it. However, he said, he thought it was an unlikely approach. I cannot see how a package can be instantly put together when we have had some of the best financial brains trying to save Laker for the last year or so. It was idle to pretend that it was possible to rescue Laker in its present form."

The group had to be reconstituted into a salable package to people who were interested. Details of Orion's plan are expected to be announced later today. It is expected to include an immediate cash injection of £35m. The banking group believe this is the figure needed to keep the business operational until a total reconstruction of the company could be completed. One possibility was of shares being offered to the public with a full quote on the London Stock Market.

Mr Christopher Chataway, deputy chairman of Orion, said yesterday that North American investors were strongly interested but believed the company must remain British financial institutions. The package, however, looks certain to require Laker's main creditors turning some of their loan into equity, a move

## Why Are You Shamed By Your Mistakes In English?

Shamed By Your English?

vocabulary, reading, writing and speaking.

Never again need you fear those embarrassing mistakes. You can quickly and easily be shown how to ensure that your speech and writing will be crisp, clear, correct. You can enormously increase your vocabulary, speed up your reading, enhance your powers of conversation.

What's more, you'll command the respect of people who matter. You will use English accurately, impressively, incisively — to cut through every barrier to social, academic, or business success.

## Free

To acquaint all readers of The Times with this easy-to-follow method for developing mastery of English, we, the publishers, have printed full details in a fascinating book, "Good English — the Language of Success", sent free on request. No obligation. Simply fill in and return the coupon on Page 6 (no need even to stamp your envelope), or write to Practical English Programme, c/o T.S.E.4, FREEPOST 38, London W1E 6QZ.

Now the right words are yours to command! A unique, new system of self-instruction speedily gives you a thorough grounding in every aspect of effective English — grammar, Cash offers, page 2  
Banks get tough, page 13



# Justices' clerks seek tougher rules on fines

By Frances Gibb

Tougher sanctions involving more use of the threat of imprisonment to enforce payment of fines are urged by the Justices' Clerks' Society in its submissions, published today, on the Criminal Justice Bill.

The society is disappointed that the Bill in its committee stage in the House of Commons, does not make more fundamental changes on enforcement, which it says is by far the most urgent problem in relation to fines.

The fine is the principal weapon in the armory of the courts and is used for 48 per cent of offenders sentenced by crown courts and magistrates for indictable offences, the society says. Fines are imposed on 89 per cent of offenders sentenced for summary matters other than motoring, and on 99 per cent of those sentenced in motoring cases.

It is important that enforcement procedures should be certain and effective, the society says. If judges or magistrates were to lose confidence in the ability of the courts to recover fines, the use of them might diminish and could lead to more prison sentences.

The society rejects the minority view of the Wootton committee that the sanction of imprisonment should be removed for fine defaulters. "The plain fact is that greedy men who turn to dishonesty will not pay their fines unless faced with an alternative even less palatable to them."

For fines to be a real alternative to custody, courts must have the power to ensure they are paid promptly, the society says, and it urges an amendment allowing courts to fix an effective sanction against future default at the time of conviction.

Faced with a defendant not intending to pay a fine, or who already owed money, courts could proceed, under this amendment, to impose a fine rather than order imprisonment, knowing that any default would result in an immediate commitment to prison.

The society says that proposals in the Bill on suspended sentences aimed at reducing overcrowding in prisons will result in more people, not fewer, in custody.

It opposes proposals for courts to be able to suspend part of a sentence. "We fear,

notwithstanding the amendments which the Bill proposes, that there will be wide disparity not only in the use by courts of the partly suspended sentence as a sentencing option, but also in the way it was applied," the society says.

Under the Bill, where courts require a minimum of 28 days imprisonment, there is no restriction on the maximum period that might be suspended. For sentences of up to two years, courts may order 25 days to be served and leave the rest in suspense.

Alternatively, in the society's view, courts can order up to 75 per cent of the sentence to be served, leaving only 25 per cent suspended. The aim should be to reduce the period of custody.

Other proposals are that detention centres should be available for girls as well as boys and that courts should have power to commit girls aged 15 to 20 to centres for from 12 days to four months.

Since the early 1960s there have been no detention centres available for girls and the Bill would reinforce this discrimination as no girls' centres are proposed.

Crime by girls and young women has risen out of all proportion to youths since the early 1960s, the society says. The courts are now faced with more and more girls committing serious crime and for whom no appropriate sentence is available.

Penny-pinching by magistrates is resulting in rough justice for many who appear in court, according to a report today.

The Legal Action Group, made up of lawyers and legal experts, says that people are considerably more likely to leave the dock of, for instance, Reading Magistrates' Court without a stain on their character than they are at the court at Slough, no far away.

The group says the problem centres on different attitudes of courts towards granting legal aid, upon which legal representation often depends. There are vast discrepancies in the way courts do so, the group states. Its research shows that a legal application is 28 times more likely to be refused at Slough than it is at Reading.

This, the group believes means that more people have to fend for themselves in court and ultimately receive tougher treatment.

## Cuts may close art gallery

By a Staff Reporter

One of Britain's most important regional galleries, Manchester City Art Gallery, is threatened with closure under proposals drawn up by council officials to meet the latest round of spending cuts. If implemented it would mean the collection of 7,000 oils, watercolours and drawings, plus its silver, pottery, arms and clothing going into storage.

Mr Timothy Clifford, the director, said yesterday: "I am feeling stupefied and horrified. We have gradually been run down over the last three years and already all five of our branch galleries are closed. There is not much left to shut down."

Manchester City Council has instructed officials to draw up options to meet cuts in the arts

The cuts must come from the art gallery, the 25 branch libraries and central reference library, two municipal theatres and one repertory company. Council officials are unwilling to let the full force of the cuts fall on the libraries because library use has been increased by 75 per cent in four years and they have no statutory duty to run the art gallery.

Shutting the two theatres would, on its own, only produce about half the money needed and the options for partial or total closure of the gallery will be considered by the Labour-controlled council's cultural services committee shortly.

Mr Clifford said he was concerned that the proposals would jeopardize gifts to the gallery and would adversely influence

## Heart beats may give clue to cot deaths

By Annabel Ferguson Health Services Correspondent

The deaths of more than 1,000 babies in Britain each year, from what has become known as cot death, could be due to abnormal heart and breathing rhythms, according to Dr David Southall, senior research fellow of the British Heart Foundation.

He says an electrocardiogram (heart tracing) is taken of newborn babies, about 1 per cent have a rhythm abnormality and some of those abnormalities are associated with sudden death in adults. Dr Southall has set up a large-scale research project to test his theory.

A total of 7,500 apparently healthy babies had their heart and breathing monitored over 24 hours at one week and at six weeks after birth. After one year, 15 babies in the group died from cot death, a death rate of one per 500, the same as the national average.

The original recordings of the 15 babies who died are being studied to see if any particular abnormality can be found. It is a massive task because the research team has to establish first what is normal, and a wide variation in heart and breathing patterns were recorded. No final result is expected for at least a year.

"It is tremendously important that the cause of cot death is discovered because it is something that has a shattering effect on parents," Dr Southall said. "There is no cause but parents often feel that somehow they are at fault."

The research project, which involves a cross section of babies born in Brighton, Exeter and Doncaster between July 1980 and July 1981, is based at the Brompton Hospital, London.

Dr Southall believes it is important to carry out a prospective study, that is one involving apparently healthy babies rather than a retrospective study based on babies who became distressed with hind-sight.

Answers from parents whose babies have died mysteriously are not reliable as many are too upset to remember details. The research team at Brompton Hospital consists of Dr Southall, Dr Elliot Shindler, consultant paediatric cardiologist, Miss Jean Richards, a full-time graduate research worker, three part-time graduates and 15 part-time housewives.

The largest of the appeals, the FF (Freddie Friendly) Fund, set up by Mrs Kay Hardy, in Seaford, Sussex, has firm promises of more than £500,000 and is moving into the local branch of Lloyds Bank in an attempt to raise pace with the administrative demands of incessant calls from well-wishers. Mrs Hardy is meeting Mr Brown before deciding whether to co-operate in a bid.

Offers made over the weekend ranged from £1 to £100,000. A pensioner who had worked for Sir Freddie sent a cheque for £50 and the Police pop group promised to give the proceeds of a special concert.

Mr Hardy said yesterday: "It is impossible to tell how much we might raise. My phone has never stopped ringing with offers of all sorts of amounts of money to help Sir Freddie because people feel that he helped them and keep the banks happy for a while, we will have done something useful." She added that Sir Freddie had telephoned her to express his thanks to the many private donors.

The Laker desk at Gatwick Airport has also been inundated with offers of money, all of which have been referred



## The future of Laker

### Cash offers from travellers

By John O'Leary and John Witherow

Promises of money to save Laker Airways continued to flood yesterday to a rescue fund set up by a Sussex hotelier. A London businessman offered to convert all the private donations into a bid for the company before the end of the week.

Mr James Brown, aged 31, is setting up a Laker Consumer Trust Account with accountants Leigh Carr and Partners, with the aim of coordinating the public response to the collapse of the airline. He estimates that £5m has already been promised to various private funds and that £10m would be sufficient to enlist the support of banks for a bid for at least part of the business.

The largest of the appeals, the FF (Freddie Friendly) Fund, set up by Mrs Kay Hardy, in Seaford, Sussex, has firm promises of more than £500,000 and is moving into the local branch of Lloyds Bank in an attempt to raise pace with the administrative demands of incessant calls from well-wishers. Mrs Hardy is meeting Mr Brown before deciding whether to co-operate in a bid.

Offers made over the weekend ranged from £1 to £100,000. A pensioner who had worked for Sir Freddie sent a cheque for £50 and the Police pop group promised to give the proceeds of a special concert.

Mr Hardy said yesterday: "It is impossible to tell how much we might raise. My phone has never stopped ringing with offers of all sorts of amounts of money to help Sir Freddie because people feel that he helped them and keep the banks happy for a while, we will have done something useful." She added that Sir Freddie had telephoned her to express his thanks to the many private donors.

The Laker desk at Gatwick Airport has also been inundated with offers of money, all of which have been referred

to Mrs Hardy. Although no decision has been made about the use to which the money collected will be put, the organizers are adamant that it will not find its way into the hands of the receiver. Mr Ron Winter, another of the funders, said: "If we cannot collect enough to keep the show on the road, there is no reason why the money cannot be given to Laker to set up another business, with no strings attached."

Mrs Hardy is to meet Mr Brown to discuss his plans for a bid after hearing the advice of her bank manager. Mr Brown said yesterday: "This is a serious bid to buy Laker Airways on behalf of the British people and the Laker family. A lot of people who have taken advantage of cheap air travel owe him something and want to show it in cash."

Such signs, along with serious ones including declining turnover or boardroom strife, are indicative of impending financial gloom, according to Mr Bill Mackey, a receiver called in by Laker.

Writing in a book called *Managing for Profit*, published last Friday by McGraw Hill, Mr Mackey gives his own list of warning signs: "Rolls-Royce with personalised number plates; a fountain in the boardroom; a flag pole; the Queen's Award for Industry (United Kingdom companies only); a chairman who is honoured for services to industry—every industry but his own; a salesman or engineer as chief executive; a recent move into modern offices."

Mr Mackey said yesterday that he knew nothing about Sir Freddie's personal assets.

Sir Freddie is undoubtedly a very wealthy man. He lives at Chichester, near Lewes in Sussex, in a house which has 100 acres of land, six bedrooms and a swimming pool. He runs Woodcote Farm, near Exeter, where he keeps 24 race horses, some of them with names such as Take a Laker. He also owns a large farm at West Hove, near Guildford, and an 85-ton yacht, Tuinella, which is permanently based in the Mediterranean and frequently employed as a floating conference room.

Mr Colin Raworth, a West London shopkeeper, has also received promises of more than £100,000 since he launched his

debate between Dr FitzGerald and Mr Haughey, which could prove crucial. The latest opinion poll shows that Dr FitzGerald has opened a big personal lead over his rival, with 55 per cent of voters finding him an acceptable leader, only 25 per cent opting for Mr Haughey.

The opinion polls have greatly increased the morale of Fine Gael supporters. The increased confidence was evident yesterday during four hours of frantic electioneering by Mr Bernard Durkan, the outgoing Fine Gael deputy, in rural Kildare.

Where else but in Ireland could a candidate spend all Sunday morning driving along winding country roads at high speed to catch the faithful leaving mass at eight different churches? Election agents in the republic need to know the times of mass in each village and how long the service lasts and to be there; a large attendance apparently indicating that the priest keeps everything as short as possible.

The Provisional IRA and the Irish National Liberation Army are reorganizing their command and control structures after a week of spectacular successes by security forces on both sides of the border (Tim Jones writes from Belfast). One source said in Belfast last night: "Our boys will write off the IRA but it seems their capacity to wage war is at its lowest ebb for many years."

More than 40 people suspected of what the police described as "serious terrorist offences" are being questioned after dawn raids on republican areas throughout the province over the weekend.

Police sources say the arrests follow sustained undercover work. But there is a strong suspicion that much of the information has come from a "supergrass". He is believed to be a former commander of the Provisional battalion of the IRA in the Markets area of Belfast.

Save Freddie Laker Fund" on Friday. He said: "I am paying all my own expenses incurred so that every penny collected can be used for the sole purpose of getting Sir Freddie Laker back in business. The Government and City say they cannot help him, so why not let the public have a chance to show how they care?"

Sir Freddie Laker's metallic gold Rolls-Royce, with its FAL number plate, his knighthood and his strike-free and contented work force were all among signs that an operation such as Laker Airways could collapse.

Such signs, along with serious ones including declining turnover or boardroom strife, are indicative of impending financial gloom, according to Mr Bill Mackey, a receiver called in by Laker.

Writing in a book called *Managing for Profit*, published last Friday by McGraw Hill, Mr Mackey gives his own list of warning signs: "Rolls-Royce with personalised number plates; a fountain in the boardroom; a flag pole; the Queen's Award for Industry (United Kingdom companies only); a chairman who is honoured for services to industry—every industry but his own; a salesman or engineer as chief executive; a recent move into modern offices."

Mr Mackey said yesterday that he knew nothing about Sir Freddie's personal assets.

Sir Freddie is undoubtedly a very wealthy man. He lives at Chichester, near Lewes in Sussex, in a house which has 100 acres of land, six bedrooms and a swimming pool. He runs Woodcote Farm, near Exeter, where he keeps 24 race horses, some of them with names such as Take a Laker. He also owns a large farm at West Hove, near Guildford, and an 85-ton yacht, Tuinella, which is permanently based in the Mediterranean and frequently employed as a floating conference room.

Mr Colin Raworth, a West London shopkeeper, has also received promises of more than £100,000 since he launched his

debate between Dr FitzGerald and Mr Haughey, which could prove crucial. The latest opinion poll shows that Dr FitzGerald has opened a big personal lead over his rival, with 55 per cent of voters finding him an acceptable leader, only 25 per cent opting for Mr Haughey.

The opinion polls have greatly increased the morale of Fine Gael supporters. The increased confidence was evident yesterday during four hours of frantic electioneering by Mr Bernard Durkan, the outgoing Fine Gael deputy, in rural Kildare.

Where else but in Ireland could a candidate spend all Sunday morning driving along winding country roads at high speed to catch the faithful leaving mass at eight different churches? Election agents in the republic need to know the times of mass in each village and how long the service lasts and to be there; a large attendance apparently indicating that the priest keeps everything as short as possible.

The Provisional IRA and the Irish National Liberation Army are reorganizing their command and control structures after a week of spectacular successes by security forces on both sides of the border (Tim Jones writes from Belfast). One source said in Belfast last night: "Our boys will write off the IRA but it seems their capacity to wage war is at its lowest ebb for many years."

More than 40 people suspected of what the police described as "serious terrorist offences" are being questioned after dawn raids on republican areas throughout the province over the weekend.

Police sources say the arrests follow sustained undercover work. But there is a strong suspicion that much of the information has come from a "supergrass". He is believed to be a former commander of the Provisional battalion of the IRA in the Markets area of Belfast.

## Anger in council at failed firm

From Arthur Osman, Birmingham

A dispute is expected today at the meeting of the West Midlands County Council about a company which sought the investment of pension fund and ratepayers' money but has now gone into liquidation.

Mr Alan Hope, the leader of the Conservative group on the council, said yesterday that Mr Geoffrey Edge, the Labour chairman of the council's economic development committee, had "a lot to answer for."

Feastback Research Ltd of Willenhall, West Midlands, was to have been the first company to be helped by the county's economic development unit, which was set up by Labour when it regained control last May. The unit intended to be a member of a consortium to produce an industrial adhesive which the company had developed but for which it has since agreed it does not have a British patent.

A confidential report by consultants commissioned by the unit had said that £620,000 would be required to restart the company. The county council's pension fund, which covers 63,000 local government workers in the region, has asked Mr Edge for a report on the names of Feastback's creditors.

Mr Raymond Bennett, managing director of Feastback said: "As a result of the recent adverse publicity surrounding the company's endeavours to complete its negotiations with a consortium involving West Midlands County Council's economic development unit, which would have secured long-term growth and created new jobs, the directors have been left with no alternative but to formally request that these negotiations be terminated."

In order to allow an already formed consortium to proceed, the assignment of the business under discussion, the directors have requested that its bankers should appoint a liquidator

about 60 of the birds successfully. Mr Cooke are to be released at a swan sanctuary in Norfolk in the spring.

Mr Cooke concludes: "In the past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

## Science report

### Hope of a cure for lead poison in swans

By Tony Samstag

A young veterinary surgeon believes he has found a cure for lead poisoning in swans. His unpublished and unconfirmed findings could halt the decline of the mute swan on such rivers as the Thames, Avon and Trent.

Mr S. W. Cooke says that of 78 birds treated with a combination of three drugs, 64 have been symptomatically cured, a success rate of 82 per cent. Those released have shown no tendency to relapse.

In a letter last year to the *Veterinary Record*, in Bracknell, Berkshire, offered a preliminary description of his treatment, a form of chelation therapy based on established treatment of lead poisoning in children. He described "a five-day course of the injectable chelants sodium calcium edetate and dimercaprol followed by a course of the oral drug D-penicillamine, the duration of which depends on the individual's response and history of exposure to lead."

The full course for a severely affected bird takes one to three months at a cost of about £40 per month. During that period a low-fibre diet is supplemented with a mineral-vitamin concentrate, calcium and iron, routine antibiotic and vitamin injections, and often tube-feeding with a conventional milk-based mixture, such as Borden's Maltin.

The treatment is nothing if not labour-intensive. Mr Cooke emphasizes the need for intelligent and diligent nursing, with regular passages to break down the impaction of fibrous food in the gizzard.

Mr Cooke concludes: "In the past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

Mr Cooke said: "The past many swans, geese and ducks suffering from lead poisoning have been destroyed because there has been no acceptable therapy available to treat them. I feel that we can now fill this gap in our therapeutic armory."

## Text of lead risk letter

The text of the letter sent on March 6 last year to Sir James Hamilton, Permanent Secretary at the Department of Education and Science, by Sir Henry Yellowlees, Chief Medical Officer at the Department of Health and Social Security is as follows:

I am taking the unusual step of writing to you about a matter which is to come before the E(RA) Committee next week because the educational implications seem to me to be potentially important to DES.

It has been known for many years that lead is a hazard to the health and the signs of overt lead poisoning—plumbism—are known to every medical student. More recently, however, it has become clear that lead poisoning may cause central nervous system damage to the population at large and, particularly to children, with resulting minor



## CRE instructs companies not to discriminate

By Lucy Hodges

The Commission for Racial Equality (CRE) has issued formal notices against six organizations, including Massey Ferguson, Rank Leisure Services and the Prestige Group, instructing them not to discriminate. The six organizations under investigation are, in turn, taking the commission to court to challenge the non-discrimination notices issued against them.

These details are given in a confidential 17-page memorandum which the CRE has sent to the Home Office and which amounts to a strong rebuttal of much of a report by an all-party of MPs last year, which was strongly critical of the commission. In its report, the Commons Home Affairs Committee was scathing about the commission's work on formal investigations into organizations for possible racial discrimination, accusing it of chasing "small fry" and of being slow to complete its reports.

In its formal response to the Home Office the commission accepts some of the criticism and says it is carrying out another review into procedures as a result of the report. But it points out that delay are caused by companies or other bodies it is investigating who then sue the CRE.

The Birmingham Area Health Authority is also appealing against a non-discrimination notice issued by the commission in the course of a formal investigation.

The CRE's greatest blow in the courts came last year in a case brought by Hillingdon council in west London which was upheld by Lord Denning. It meant that the commission has had to stop seven of its investigations and resume with new terms of reference.

The inquiries it is having to restart include one into

the allocation of council housing by Walsall council, West Midlands, another into the employment of dustmen by Westminster council and a third into employment by Kirklees council, West Yorkshire.

In its paper to the Home Office the commission says that in more than five years in existence, it has published reports on 43 investigations and completed inquiries into 17 more. The select committee said the commission had finished only 10 out of 45 investigations by last spring. The CRE rehearses many of the objections which it made when the MPs' report was published in December. It is understood that Mr William Whitelaw, the Home Secretary, shares some of the commission's views and last week made it clear to a delegation of senior trade unionists that aspects of the report were "unfairly critical" of the commission.

Senior CRE officials believe the Home Office will not accept the MPs' recommendations on the ending of the posts of deputy chairman and chief executive, now filled by blacks, of that the commission should be shorn of its grant-giving powers.

The commission has told the Home Office that the select committee completely misunderstood some aspects of its work, particularly the relationship between law enforcement and the promotion of good race relations.

It says that if its promotional work was confined solely to matters arising directly out of investigations, as the committee proposed, it would be neglecting an important duty imposed on it by the Race Relations Act. It would, for example, not be able to undertake the work it does with the police, educational authorities and business organizations.

## Record sum given to renovate theatre

By Christopher Warman Arts Correspondent

A grant of £500,000 over the next five years is to be made to the Grand Theatre, Swansea, by the Arts Council towards the cost of improving facilities. That is the largest grant made by the council under its Housing the Arts scheme and is one of a series being given to help to renovate regional theatres.

Already the council has given £450,000 to the Palace Theatre, Manchester, and £500,000 to the Theatre Royal, Plymouth.

Apart from the New Theatre, Cardiff, the Grand at Swansea, is the only theatre in Wales capable of housing medium and large scale touring productions and it has serious difficulties both backstage and front of house which inhibit its development to its full potential.

The council said the theatre's improvement scheme was expected to take about ten years and cost more than £5m. The grant is specifically for the early phases of the scheme including the reconstruction of the stage, construction of a new theatre entrance and of bars and restaurants.

The theatre is visited by the Welsh National Opera and runs a full programme of subsidized drama, opera and dance as well as commercial entertainment. It is expected that after the redevelopment the theatre will see more of the Welsh National Opera as well as tours from other companies.

Sir Hywel Evans, chairman of the Welsh Arts Council through which the grant is being made to Swansea City Council, said: "This is the largest sum ever awarded by the council for a theatre development and reflects the importance which we attach to responding to Swansea's initiative in the arts."



All quiet on the western line: Mr Arthur Naylor and his wife, Uma, who live in the closed station at Little Kimble, on the still used London-Aylesbury route, enjoying the peace of a strike.

## Miles of woodlands go quietly for sale

By Hugh Clayton, Environment Correspondent

More than a hundred woodlands, with a combined area of almost 20 square miles, have quietly been put up for sale since the Government began its sale of Forestry Commission land last November. Very few of the woods have been advertised and only seven lots have so far been sold on the open market, though the Government and the commission refuse to name prices and buyers.

The seven include almost four square miles of Loch Moss, forest with commercial peat extraction, in Dumfries

and Galloway. That was bought by a single purchaser and represents the Government's most successful effort so far at raising money by selling state forest land. The sale of the two-square-mile Stang Forest, in co Durham, collapsed last year after the Forestry Commission believed that it had been concluded. The commission hopes that it will succeed in selling the property this year.

The campaign to raise £10m a year by selling woods owned by the commission has been condemned by the

Labour movement as proceeding for monetarist reasons without heed to the needs of the forestry industry. Ministers see it as a means of reducing the burden of state forestry on public funds.

More than 20 woodlands, with a combined area of about five square miles, have been sold back to the private landowners from whom the commission bought them. Some of these lots have not been advertised on the open market.

The commission has agreed

not to sell woods of exceptional scenic and scientific interest without first consulting government and voluntary conservation bodies. But a transfer of woodland to a state body such as the Nature Conservancy Council would not raise money, while some regional naturalists' societies cannot afford to buy.

Nevertheless, the National Trust has bought more than 200 acres of woodland in Somerset from the commission, to prevent it from being used by an investor purely as a source of commercial timber.

## Over-busy pub sells pasties at its peril

From Our Correspondent Exeter

The landlord of the Royal Oak at Meavy on Dartmoor has been told to cut his trade because he is too successful. Exeter Parish Council, which owns the inn, has given Mr John Shortridge a list of measures for reducing business before his lease can be renewed, because some local people have complained about the level of activity.

Mr Shortridge said: "It is silly. The council are cutting their own throats because the more cash we take over the bar, the more rent is paid to them."

The Royal Oak is no exception to other pubs. We have very quiet times, especially during the winter. We have six hectic weeks in the summer but I would not call that over-successful. It is just one of two residents complaining.

The Parish Council's recommendations are: To serve west Country pasties only between May and October; to stop Mr. Des Shortridge from putting here food on sale to customers; to ban the landlord from playing instruments other than piano; to stop people sitting outside the public house by removing the chairs; and to force customers to drink only inside the building.

Mr Shortridge said: "I have told the council to no uncertain terms. I will not run the pub's trade down. Mr Nicholas Waterhouse, one of the parish councillors, said: 'The proposals are long-term measures designed to reduce the present gross over-trading at the inn'."

□ The James in Horbling, Lincolnshire, are going down because they are being off-set by most of the annual rental from the Plough Inn, which is owned by the parish council. It will serve the 400 population an average of £6 a head. (Our Peterborough Correspondent writes).

## Research council cuts: 1

### Unseen effect of cash pruning

By Pearce Wright, Science Editor

More than a year ago Mrs Margaret Thatcher proudly told an all-party parliamentary and scientific committee that the Government's policy on research was "protected" from the round of public spending cuts. Today, research workers in universities say subsequent actions suggest she has reneged on that commitment.

The issue is rapidly coming to a head in the wake of cutbacks made by the Universities Grant Committee. Those cuts have mostly been discussed in terms of the impact on the numbers of students and academic staff. The effect the cuts have in undermining research has received less attention.

Research in universities is only 14 per cent of the total money spent by the Government on research. More than £3,500m of government money was divided between research on defence (£200m); to promote industrial growth (£118m); on health (£50m); and on other activities like energy communications and public transport.

The amount devoted directly to pure research in universities was about £200m last year. That money comes from the £478m allocated through Parliament as the Science Vote. That is shared between five research coun-

cils: the Science and Engineering Research Council, Natural Environment Research Council, Medical Research Council, Agricultural Research Council and the Social Sciences Research Council.

There are marked differences in the way each council is saving from the economic squeeze. The science and engineering, natural environment and medical research councils are vulnerable for special reason, even though their budget allocations have at least been held static. The grants those organizations award to university scientists are only part of the research story. Academic research in Britain relies on a unique scheme known as the dual support system.

Under that arrangement, universities are expected to provide from general funds, coming from the University Grants Committee, an equipment grant for the "floor" of research facilities. That means, literally, the floor space and essential laboratory apparatus needed. The research councils provide the money for specific projects.

Between the two academic bodies should have the conditions to teach well and conduct first class research. But before the cuts, the

equipment grant had fallen below the figure needed by university departments for servicing vital apparatus such as electron microscopes and computers.

Expressing the anxiety of academic research workers, Sir Andrew Huxley, president of the Royal Society, says the dual support system, envied in other countries, had been reduced to a shadow. It was in danger of being obliterated by the cuts in university finance, he claimed.

Sir Andrew recognised that there was scope for rationalization within universities, and that the University Grants Committee's recommendations to individual universities on cuts were to encourage a more efficient use of resources. However, had the grants committee gone further, taking the decisions where to make cuts out of the hands of the universities, there would have been protests at the infringement of the universities' independence, Sir Andrew argued.

Sir Andrew said there was a danger to scientific research in that raising departmental grants was a way of avoiding, or reducing the number of, compulsory terminations of employment.

Tomorrow: Medical research

## Council house subsidies fall as rents increase

By David Walker

Housing figures published today show that the Government is succeeding in its policy of cutting general subsidies for council housing and moving to special rebates for poorer tenants.

Overall subsidies to council housing in England and Wales have fallen by nearly a third, measured in cash, between 1980-81 and 1981-82. Council rents have increased during the same period by nearly a half.

According to calculations by the Chartered Institute of Public Finance and Accountancy, a professional body on which the Government often relies for estimates of local spending, public spending on rent rebates to council tenants could have increased by as much as four-fifths.

The calculations are complex because some rebates are paid by the Department of the Environment, some from the rates and some from the social security system administered by the Department of Health and Social Security.

Those changes in the balance between general subsidies and special rebates are in line with the Housing Act, 1980, and will probably continue through 1982-83. Council rents are due to rise by at least £2.50 a week on average on April 1.

Council house rents still only cover on average two-thirds of the full cost of public spending on each dwelling. The table shows the relationship during 1981-82

|                     | Grant | Rebate | Total |
|---------------------|-------|--------|-------|
| (£)                 | (£)   | (£)    | (£)   |
| London              | 12.67 | 10.83  | 23.50 |
| GLC                 | 14.65 | 11.36  | 26.01 |
| Wales               | 10.26 | 5.31   | 15.57 |
| Welsh councils      | 11.36 | 5.97   | 17.33 |
| (England and Wales) | 11.42 | 8.44   | 19.86 |

of the gross amount received by councils in rent and the cost of management and maintenance. Total cost includes interest charges on loans which average £11.38 a week for each council dwelling in England and Wales.

Some local authorities cushion their tenants against the impact of the Government's policy of high rents. Chartered Institute's latest figures show that the London boroughs increased their rates subsidy to rents by 10 per cent between 1980-81 and 1981-82. Renters pay for only about 1 per cent of total housing spending by councils in the English shires; but in London 20 per cent of total costs come from the rates.

There are now 5,200,000 dwellings in local authority ownership in England and Wales plus another 100,000 owned by the new town corporations. The average cost to councils of providing a dwelling in 1981-82 is £18.36 a week, of which £11.43 comes from the rent paid by tenants.

Housing Revenue Account Statistics 1981-82 estimates. CIPFA, 1 Buckingham Place, London SW1E 6HS, £12.

## NEWS IN SUMMARY

### Seamen's health survey

A large-scale study of the health of crews working on merchant ships has been commissioned by British shipowners in cooperation with seafarers' unions (Our Labour Editor writes). The survey, to be carried out by the TUC Centenary Institute of Occupational Health, has been prompted by statistics suggesting that seafarers may be more vulnerable to illness and early death than people in many other occupations.

About one in 50 of Britain's 60,000 merchant seamen and officers will be asked to fill in a questionnaire and undergo a physical examination. The results will be compared with known statistics for the general population.

### Pensioners are led to safety

More than 50 pensioners were led to safety when fire broke out at an old people's home in Halesowen, Birmingham, yesterday. No one was hurt, but some people had to spend the rest of the night on makeshift mattresses as firemen damped down the roof blaze, believed to have been caused by a fault in the heating system. The home was not badly damaged.

## The Alternative Approach to Banking

# THE HIGHER THE MANAGER/CUSTOMER RATIO THE FEWER DISSATISFIED CUSTOMERS.

We have more managers per customer than the other main High Street banks. That, in our view, is the way it should be, and that's the way we aim to keep it. It gives us distinct advantages over other banks which new customers are quick to recognise; particularly business customers, for whom it is supremely important to have ready access to their local branch management at all times. And at all places. Our managers make a point of visiting customers on their own ground as often as possible, to make sure they have a really thorough appreciation of each particular business and the kind of financial problems and opportunities that can be anticipated.

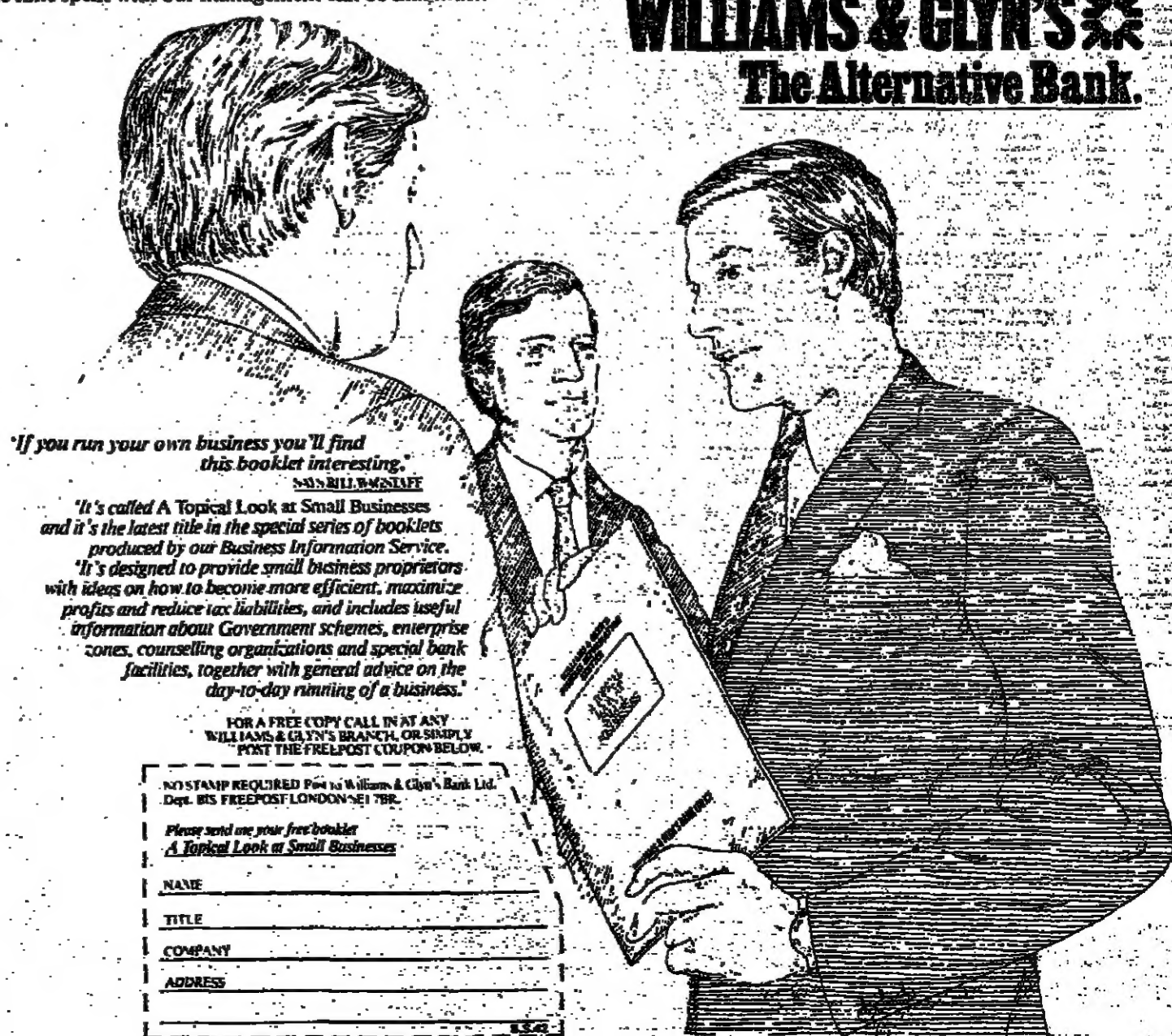
And the time spent with our management can be that much

more valuable, too, because the tightly-knit way we're structured means that our managers in their turn have ready access to all our top banking specialists, who are always ready to attend meetings, give on-the-spot advice, and when necessary make on-the-spot decisions.

It all adds up to a whole new approach to banking, a refreshing change from the kind of branch management lethargy that is so often generated by ponderous pomposity at the top.

So if you see your bank manager once in a blue moon, don't wait for the next blue moon, come and see us. We welcome dissatisfied customers.

**WILLIAMS & GLYN'S**  
The Alternative Bank.



"If you run your own business you'll find this booklet interesting."

—NABILL MONTAGUE

"It's called A Topical Look at Small Businesses and it's the latest title in the special series of booklets produced by our Business Information Service. It's designed to provide small business proprietors with ideas on how to become more efficient, maximize profits and reduce tax liabilities, and includes useful information about Government schemes, enterprise zones, counselling organizations and special bank facilities, together with general advice on the day-to-day running of a business."

FOR A FREE COPY CALL IN AT ANY WILLIAMS & GLYN'S BRANCH, OR SIMPLY POST THE FREEPOST COUPON BELOW.

NO STAMP REQUIRED Post to Williams & Glyn's Bank Ltd, Dept. BS FREEPOST LONDON SE1 7BP.

Please send me your free booklet 'A Topical Look at Small Businesses'.

NAME

TITLE

COMPANY

ADDRESS



# Deng's departure raises fears for China's future

From David Bonavia, Peking, Feb 7

The disclosure that Mr Deng Xiaoping will no longer take an active role in the day-to-day administration of China has caused surprise and even shock among observers of Chinese affairs and raised grave concerns about the country's future.

Mr Deng, the leading vice-chairman of the Communist Party, has been in control of party and government affairs since his political rehabilitation in 1973 apart from a one-year period of disgrace during and after the final ascendancy of the leftist "Gang of Four" led by Jiang Qing, widow of Mao Tse-tung.

Mr Wan Li, a Deputy Prime Minister, considered close to Mr Deng, told a delegation from Reuters news agency that he was in southern China, resting. However, Foreign Ministry officials vehemently deny reports that he was in poor health.

Mr Deng's personal prestige, experience and authority are considered to have been the crucial factor in maintaining national unity in recent years, in the face of some highly divisive issues.

Mr Deng's last known statement on the question of his retirement was that he would remain in office until 1985 then seek an advisory role. There is explanation as to why he should have decided to limit his own functions three years ahead of time.

## Glemp urges voice for Solidarity

Rome, Feb 7. — Archbishop Jozef Glemp, the Roman Catholic primate of Poland, said today that Solidarity should be included in efforts to achieve reconciliation in his country.

Archbishop Glemp, in Rome for his first meeting with the Pope since martial law was declared in Poland, preached to the Polish community in the ancient church of St Stanislaus. "Rage is the worst disease now afflicting our homeland," he said. "The Church is bent on its knees in front of a suffering society... and recommends love as the only medicine."

He added: "We must find an accord so that Poland again becomes the homeland of all Poles."

During the Mass, the congregation sang hymns and popular Polish songs and Archbishop Glemp asked them to pray for interned members of Solidarity and their families. Solidarity

should have a place alongside the Church in negotiations with the military rulers in Warsaw, he said.

Since the proclamation of martial law the Archbishop has been involved in mediation efforts between Poland's military rulers and Mr Lech Walesa, the detained Solidarity leader.

Appealing for tolerance, the Archbishop said: "Poland must not become an arena for bloody confrontations." But he made no reference to his meetings with the Pope, who today refrained from making any comments on the Polish crisis at his traditional Polish blessing. — Reuters.

Warsaw: The Polish Communist Party said today it was finding it hard to woo back workers and intellectuals who deserted it during the confrontation with Solidarity. (Reuters reports.)

Mr Włodzisław Mokrzyński, secretary of the party's

Central Committee, reported that membership had dropped by 500,000 to 2.6 million since last July.

The loss was due to resignations and a purge of inefficient and discredited members, he told the official PAP news agency.

The party, thrust into the background by martial law, is in the midst of a drive to win back disillusioned members and rebuild public credibility.

The official said resistance to its efforts to reassert itself was strongest in factories, where Solidarity had powerful support, and among intellectuals.

The party was still being purged at all levels but the pace of resignations had not increased since the military take-over in December. Intellectuals and workers who left to join Solidarity should be encouraged to return but no leniency should be shown to enemies of Marxism, Mr Mokrzyński added.

## Battle lines drawn for Madrid talks

From Harry Debelius, Madrid, Feb 7

The foreign ministers of at least 20 countries began gathering here today for a verbal battle — with the Soviet and Polish Governments as the principal targets — that could turn the hundredth session of the Conference on Security and Cooperation in Europe into the final session.

The first plenary session after a winter recess will be presided over on Tuesday by Jozef Wieszac, the Polish Deputy Foreign Minister, who is said to have issued a warning before leaving Warsaw that his country "will not take part in the Madrid conference if it is relegated to the role of defendant."

The Polish and Soviet Governments are expected to be accused by Western nations of violating the 1975 Helsinki agreements, which it is the task of the present conference to review and expand.

The fact that most of the 35 participating countries will be represented by their foreign ministers rather than by normal heads of delegation suggests the importance that their governments attach to the meeting at this time, after 15 months of debate with little progress.

The positions of the various Western delegations range from the tough stance of Mr Alexander Haig, the United States Secretary of State, who recently informed NATO allies that he favours suspending the conference until next autumn as a sign of protest over Poland, to the more conciliatory attitude of Mr Leo Tindemans, the Belgian Foreign Minister, who advocates a recess as a period of reflection, but only after two or three weeks' more discussion in Madrid.

The possibility exists of next Tuesday's debate ending in a total breakdown of the conference. Since a severe confrontation between East and West could make it impossible to achieve the consensus needed to continue the meeting. Most observers of the conference, however, consider this unlikely as both East and West are interested in continuing the Helsinki process, even if for different reasons.

The Soviet Union needs it to win approval to bring all 35 nations together for a disamputation conference, and the West needs it to bring pressure on the signatories.



## Mubarak sees role for Europe

By Edward Mortimer

own man and happy to be seen as such.

Mr Mubarak had had lunch with Mrs Thatcher at Chequers on Saturday. He had called in Britain on his way home from Washington, and was leaving for Bonn, to meet Herr Schmidt, the West German Chancellor. (On the outward journey he had stopped in Rome and Paris.)

The Europeans, he said, "play a very strong role in achieving a comprehensive peace in the Middle East, through their influence on the United States and on Israel."

Did he mean we should put pressure on those countries? "I'm not speaking at all about pressures. Under-

standing, discussing this with their friends the Israelis, and also with the United States — it would be a good support to the comprehensive settlement."

who was very definitely his

view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

Mr Mubarak repeated his view, already voiced in Washington, that the Americans should start a dialogue with the Palestinians.

Did he see the PLO as the sole representative of the Palestinians? "It was so registered according to the Rabat summit, but still there are differences between them all." The Americans should start a dialogue with whichever Palestinians were moderate enough to be willing to hold one.

Mr Mubarak was also asked whether he could envisage any action by Mr Begin, the Israeli Prime Minister, that would force him to interrupt the peace process. He replied by emphasizing that withdrawal from Sinai was "a commitment on the Israeli side" and that he was "sure whenever they sign a document they respect it."

## NEWS IN SUMMARY

### Terrorist suffer big setback

Rome. — Italian anti-terrorist police have arrested more than 150 guerrilla suspects and dismantled 25 of their bases since the liberation 11 days ago of General James Dozier, Interior Ministry sources said.

General Dozier was rescued after 42 days in captivity. The Washington Post reported that six men sent by the Pentagon to serve as liaison between Italian and American officials were members of the elite counter-terrorist task force. It was created last year to replace the special army unit which failed to liberate the American hostages from Iran in 1980.

### Missile gingerly reclaimed

Schranberg, West Germany. — American explosives experts carefully dismantled the concrete floor of a Black Forest barn in an attempt to recover a live Sidewinder missile which fell off a jet fighter during combat drill.

The 190lb missile, which carries about 9lb of TNT, plunged through the roof of the barn, and drove through about 15ft of densely packed hay before embedding itself 3ft into the concrete, and sandstone floor, an Air Force spokesman said. The owner of the barn, Herr Eugen Seckinger, aged 79, and his wife, were taken to safety after the missile was discovered. Police said that Herr Seckinger, being heard of hearing, knew nothing of the missile until he saw a large hole in the barn roof.

### Moses inspires a president

Washington. — When President Reagan celebrated his seventy-first birthday here with a few close friends, he became the oldest man ever to occupy the White House. Last week, at a prayer-luncheon, he joked about his age.

He said: "This increase of numbers doesn't bother me at all because I recall that Moses was 80 when God commissioned him for public service, and he lived to be 120. And Abraham and his wife, Sarah, were 90 when they did something amazing." They had a son, Isaac. Sarah had been thought to be sterile.

### Surgeons cut supply route

Paris. — A 22-year-old Briton was recovering here from an operation during which surgeons recovered more than 3 lb of cocaine from his stomach, reliable sources said.

Th man, who lives in London, was intercepted when he arrived on a flight from Colombia. He is said to have admitted having swallowed 70 tablets of cocaine, each 40 grams in condoms.

### Romanian food prices to rise

Vienna. — Romania is raising food prices but will compensate low wage earners for the additional expense, Agerpres, the official news agency, said.

Western sources said that some prices, including those of black bread, sugar, flour and oil, had remained unchanged for about 30 years. Romania is negotiating with the International Monetary Fund for the second part of a \$1,480m loan (about £200m) granted last June.

### Lenin tomb closes

Moscow. — The Kremlin has announced that Lenin's mausoleum in Red Square, Moscow, is too close for two months — usually an indication that restorative work will be carried out on the embalmed body of the revolutionary leader who died in 1924. The mausoleum will be shut from February 15 to April 15, according to Pravda.

**THE ADVERTISERS IN THIS WEEK'S RADIO TIMES MAY NOT BE HOME AND DRY. BUT AT LEAST THEY'RE HOME.**

Home, if you come to think about it, is rather a good place for advertisements.

We should know. Radio Times is at home, ads and all, for nine days. (We say nine days because we cover seven days of BBC programmes, and publish two days in advance.)

Being at home means ads get plenty of chances to be seen. The family see to that.

All day, every day, we're being used, picked up, leafed through, looked at. Programmes are noted, ads are seen.

It's good for us. And it's good for our advertisers.

Especially when you consider the number of readers we have. In total, it's over nine-and-a-half million.

More than a fifth of all adults in the country read Radio Times.

So do more than a fifth of all housewives.

We've more ABC1 readers than any other magazine or newspaper.

In fact, we're the largest-selling weekly in Britain.

We're so familiar it may have escaped your notice we're a mainly black and white publication.

We have only a limited number of colour pages.

This means colour ads have a chance to shine out. And black and white ads aren't overwhelmed by colour.

(If you use black and white there's another advantage: you may use one, or more, of our thirteen regional editions.)

But Radio Times has another asset, which though powerful, is perhaps more subtle.

That's its distinct character, its purposeful air. Its ambience if you like.

"I saw it in Radio Times" is tantamount to saying "it's trustworthy, it's reliable."

It's a considerable benefit.

If you're just off to an advertising meeting it might benefit consideration.

**Radio Times**

For further information contact Head of Advertisement Department, BBC Publications, 35 Marylebone High Street, London W1M 4AA. Telephone: 01-580 5577.

## Pyke blames man with grudge for his ordeal

Schiphol, Holland, Feb 7

Mr Andrew Pyke, the British businessman freed by Iran, has said, that false accusations by a would-be employee with a grudge led to his 518-day ordeal in a Tehran jail. He made unpleasant accusations, he said, "I was a spy. I am not a spy."

Mr Pyke said on arrival in the Netherlands.

Mr Pyke, who managed an Iranian-Dutch firm operating helicopters for the oil industry, was arrested at Tehran airport as he was about to leave Iran in August, 1980.

He was released from jail 10 days ago.

Yesterday he reacted angrily to a barrage of questions from reporters as he and his smiling Dutch-born wife Tilleke were taken by Dutch colleagues and airport officials to a reunion at the airport with friends. "I've been in prison for a year and a half. Leave me alone", he shouted at journalists.

After the reunion he apologized to the press and, walking to a news conference surrounded by Dutch policemen, said: "The last guys I was with like this had green jackets, berets and machine guns."

Looking drawn but very happy, Mr Pyke said that after investigations a religious judge said he had no case to answer. He was

initially held on spying charges but Iranian officials said later they were investigating financial matters. He said he did not plan to go back to Iran.

Replying to questions, he said he knew of six American prisoners being held in Iran when I heard I was in. But he never felt that his life was in danger although he stayed in Iran's Evin prison knowing that executions were taking place there all the time.

Mr Pyke thanked the 10,000 British people who sent him Christmas cards for their moral support and the British diplomats who negotiated for his freedom.

He and his wife were driven away to an undisclosed location in the Netherlands, where they hoped to spend a few days alone before flying to London. — Reuters

**BL record sales of £100 million in Italy.**

In 1981 BL Italia, the company marketing BL cars in Italy sold vehicles worth £100m.

This is a 73% increase on 1980's sales and has increased BL Italia sales to over £100m for the first time.

Since the formation of BL Italia in 1976, sales have increased six fold.

Commenting on the figures Signor Sergio Mia,

Managing Director of BL Italia, said: "The major reason for our improvement is the launch of the Metro which is now selling at a rate of 1,500 a month. In 1982 we launch more new models, including the Triumph Acclaim. I am confident of continued sales growth."

**BL Fighting back**



## Washington's 'three Bs' prepare for EEC battle

From Ian Murray, Brussels, Feb 7

A Belgian, a West German and a Dane descend on Washington tomorrow for a three-day exchange of words with three American ministers who are disrespectfully referred to in Brussels as "The three Bs".

According to Mr Alexander Haig, the Secretary of State, the meeting should be "an elegant dialogue" about the trading difficulties that exist between Europe and the United States. According to a very senior and angry EEC official last week, "there will be a good deal of blood on the floor".

What threatens to turn the elegant dialogue into a bloodbath is European steel producers who are dumping their heavily subsidised produce on the American market. This, the EEC claims, is causing material damage to the domestic industry.

Wielding a thick dossier of statistics to prove Europe's innocence, the Belgian Industry Commissioner, Viscount Etienne Davignon, and the West German External Relations Commissioner, Herr Wilhelm Haferkamp, will take on two of the "Bs", Sir Malcolm Baldrige, Secretary of the Commerce Department, and Mr William Brock, Trade Representative.

Locked in single combat and hurling frozen chicken thighs and maize gluten feed subsidies at each other, will be the Danish Agriculture Commissioner, Mr Poul Dalsgaard and Mr John Block, Secretary of State for Agriculture.

The one thing certain to be proven by the encounter is the truth of Bernard Shaw's adage that there are lies, damn lies and statistics. With unemployment growing and the farming lobbies growing more vociferous on both sides of the Atlantic, the partners in Mr Haig's "elegant dialogue" will be seeking to prove that they have every right to exploit each other's markets and to dump if necessary.

In the words of the angry Commission official last week: "There is no rule about dumping. If you dump it is a fact of life. No one can complain if someone dumps."

But the consequence of that is the growth of the mood of protectionism and not only in the United States.

It is starting to sweep through Europe to such an extent that the very concept of the words "Common

Market" is becoming questionable.

If the three commissioners, presumably bloodied but unbowed, can overcome their jet lag in time, they will be taking part in the weekly commission meeting on Wednesday. There they will be devoting a good deal of their time to drafting a plan for narrowing the \$7,800m trade gap between the EEC and Japan. For as competition grows fiercer, Europe finds itself fighting its trading partners on all fronts. Only with the EFTA countries and the poorer lands round the Mediterranean does the EEC have a trade surplus. All other producers, including the Soviet bloc, Third World countries and, of course, the oil exporters, have a net trading deficit with the EEC.

This unpleasant economic fact of life is causing the individual EEC nations to turn on one another in nationalistic efforts to save their own industries.

This is most obvious in France where the new Socialist Government, following a path tentatively blazed by the previous administration, is setting out to "reconquer the internal market".

The weapons for reconquest have yet to be forged. But there can be little doubt they will involve national aids tantamount to subsidy, which arguably run counter to the Treaty of Rome ideals.

But France, which opens and shuts its frontiers to Italian wine in wilful contradiction of the treaty, is far

from being the only EEC member to devise trade barriers against its supposed partners. Every country is currently being prosecuted by the European Court for the practice and the signs are that the habit is growing. Despite earnest Commission efforts to reverse the trend.

Some trade barriers are ingenious. Belgian shops can only sell margarine in cubic containers — and that keeps out West German competitors. Irish shops can only sell certain kinds of furniture with instructions in Gaelic — and that keeps out most people. West German wool cannot be sold in the traditional European standard size of 40 grammes. All chickens imported into Britain have to be free of vaccination — and that keeps out all but Irish birds. All soft drinks in Denmark have to be sold in returnable bottles — and that takes the fizz out of competitors' profits. The list of measures is as varied as the ingenuity of 10 member states can concoct.

France is now pressing for a range of unspecified measures to protect the European market from outside pressures. It is not winning any support in the declared statements of other European leaders, but increasingly the gap is widening between the public political necessity of remaining firm to the principle of free trade and the private economy necessity of protecting internal markets.

There is, however, one very damaging side effect of internal EEC protectionism, which is already causing real concern within the Commission. This is the way in which American investment vital to the European economy is being frightened away by these untreatylike barriers. American companies chose to put money into the EEC during the 60s and 70s because this meant they had a large common market. Now that "Buy French" or "Think British" campaigns are taking hold, potential American investors are looking elsewhere to place their dollars.

The European Commission is preparing for a long, hard trade war ahead on all fronts. But while it sends champions off to the United States to fight for steel and concocts plans to keep out the Japanese, its biggest battle looks likely to be against member states.



Mrs Tricia Crocker, the widow of the British yachtman murdered in the Caribbean, arriving at Heathrow. Mrs Crocker flew in from Barbados with her husband's body.

## Turkish military tighten restrictions on press

Ankara, Feb 7.—Turkey's military rulers announced further restrictions on the press yesterday and banned non-government bodies from inviting or meeting foreign delegations.

The military statement barred the Turkish press from quoting foreign news reports critical of Turkey. It ordered societies, foundations, trade unions, and other bodies to seek the permission of the martial law authorities before inviting foreign delegations.

Permission must also be sought for meetings with any foreign delegation arriving in Turkey uninvited, the statement said. The measures reflect a deterioration in relations between Turkey and the West after criticism of Turkey's military rule last week by the Council of Europe.

General Kenan Evren, the head of state, accused the Council of interfering in Turkey's affairs and hinted that Turkey might withdraw. The press has not been censored since the September, 1980 coup although editors have been warned to stick to guidelines laid down by the generals.

A scheduled visit to Turkey this week by Mr Emile van Lennep, secretary-general of the Organization for Economic Cooperation and Development, was quietly postponed.

Today's military statement was vague. It banned Turkish newspapers from quoting foreign radio stations or other foreign news media "that continue to spread lies and feelings of hatred against Turkey and against the present administration".

## Party closes ranks behind Marchais

From Charles Hargrove, Paris, Feb 7

The twenty-fourth Congress of the French Communist Party, which ended today, predictably produced no surprises, though it came soon after the party's most resounding electoral defeat since the Second World War.

There was hardly a whisper during the five-day marathon of speeches of the serious crisis which grips the party, the sharp decline in popular support and the mounting financial difficulties.

M Georges Marchais, the architect of this disaster, whose leadership seemed under threat after last June's elections, was triumphantly re-elected as secretary-general for another three-year term.

Only 12 new members were elected to the party's 145 — strong Central Committee. But M Georges Seguy, the secretary-general of the Communist-dominated CGT, trade union, left it at his own request. He is also to give up his post as leader of the trade union organization next June, for health reasons.

The façade of unanimity was successfully maintained at the congress. The final motion was carried by 2,004 votes out of 2,006 delegates, with two abstentions. "The immense majority of Communists have come out in favour of the strategy proposed," Mr Guy Hermier, a

rising member of the Politburo, declared.

That strategy is twofold: the party intends to be both a party of combat and a party of government, as M Marchais has emphasized. It has four ministers in the Mitterrand coalition Government. One of them, M Charles Fiterman, was given a standing ovation and is seen as the natural successor to the secretary-generalship.

While determined to remain in the Government, the party intends to preserve its militant image, by encouraging "the necessary intervention of the workers," in favour of change, and against the forces of reaction, as M Marchais emphasized in his closing speech today. That is, where the CGT comes in, notably in fomenting unrest over the cuts in the working week.

The party's ambivalent attitude is also apparent in M Marchais' endorsement of the Socialist Government's policy and in his reassertion of his party's pro-Moscow line.

The great debate which has been going on for months in the party at grass-roots level about the breach with the Socialists and the violently anti-socialists line in the four years leading up to the presidential elections, followed by the sudden about-face after them, was hardly mentioned during the congress.

## Moi threatens to throw out Kenyan Asians

From Charles Harrison, Nairobi, Feb 7

A bitter attack on Asian businessmen here by President Daniel Arap Moi has shocked and dismayed many of the 80,000 Asians living in Kenya.

President Moi yesterday accused Asians of hoarding, smuggling, and said any Asian doing this would be deported, even if he were a Kenyan citizen. The President was speaking to a delegation from Embu, 120 miles from here, which called on him at State House in Nairobi.

Attacking corruption, he said: "Asians in this country are ruining the economy by smuggling currency out of the country and even hoarding essential goods and selling them through the back door."

found hoarding or smuggling will be punished severely. If he is an Asian he will be deported immediately, regardless of whether he is a citizen or not."

There is no apparent reason for the launching of such attacks at this time, but Kenya is undergoing severe economic problems and is suffering shortages of many imported goods.

President Moi appeared to express dissatisfaction with the conduct of some African traders who are used as a front by Asian businessmen. But it is the suggestion that Asians who hold Kenyan citizenship could be deported — and presumably stripped of their citizenship — that has shocked Asians here.

## Belgium faced by general strike

From Ian Murray, Brussels, Feb 7

Much of Belgium will be paralysed for 24 hours from midnight by a general strike called in protest at government austerity measures, which have yet to be announced officially.

There will be no trains, law courts, newspapers, buses, post office and telephone services, of creches. A few schools may operate in defiance of picket lines. Hospitals, radio and television, pharmacies and fire services will run the barest of services. Most of industry is expected to be at a standstill.

The strike has been called by the socialist FGVB union, which is strongest in French-speaking Wallonia, the area which has been hardest hit by Belgium's escalating economic difficulties. In Wallonia the Christian CSC union is also expected to lend its considerable backing to the industrial action. Even in Flanders, where support for the coalition Government is strongest, widespread action looks likely.

The reason for the protest action was made clear last night in a television interview with Mr Wilfried Martens, the Prime Minister. He said he would be using the special powers his Government has just been given to hold down any increase in the national wage bill this year to 3 per cent. Restoring the economy was not an easy task and would involve sacrifices by everyone, he said. "We must work harder and harder."

Mr Martens promised that before introducing new economic measures there would be "real, but brief" consultation with the unions. Lack of agreement would not stop the Government from acting. Only the most impoverished would not have to make sacrifices.

Imposing these sacrifices, which will also entail redundancies in ailing industries, the coalition Government. In particular, the French-speaking Socialist Christian Party (PSC), which is closely linked with the Christian trade union movement, finds itself in difficulties in Wallonia.

This was underlined yesterday by the near unanimous decision of the Christian workers movement meeting in Namur to form a new political movement. The meeting felt that in supporting the government the PSC was drawing away from the grass roots union support

お母さんへ

## TO ALL MOTHERS

Let's not send our irreplaceable children to the battlefield. Now is the time for all mothers of the world to unite in a drive against military armaments.

Recently, many countries of the world have moved to increase their armaments rather than moving toward disarmament.

This trend, should it continue unchecked, will make it difficult to avoid a third world war which may spell the destruction of mankind. I am deeply worried by this possibility.

After World War II, I was incarcerated for 3 years and 14 days as a "Class A" war crime suspect in Sugamo Prison in Tokyo. During my imprisonment, some 35 years ago, I submitted a plea to General Douglas MacArthur, Supreme Commander for the Allied Powers, as well as to U.S. President Harry Truman. In it, I revealed my willingness to sacrifice my own life if necessary in order to eradicate war and save mankind from its horrors.

From that time on, I have practiced the principles of the universal brotherhood of mankind in the belief that "the world is one family, all people are brothers and sisters." Today I continue to call for total disarmament, and for the creation of a lasting peace which transcends politics, economics, philosophies, religious beliefs, race and national boundaries.

Wars produce a thousand evils, and no good. To end them and to establish a lasting peace requires more than a mere reduction of nuclear warheads or conventional weapons. An absolute prerequisite for permanent peace is total disarmament. Countries opposed to complete disarmament are enemies of peace. And as these countries pose a threat to all mankind, other nations of the world must join in solidarity to blockade them economically. If this can be done, these countries will be forced to end their intransigence, no matter how powerful they may be.

Today, the world's annual military expenditures exceed \$550 billion. If total disarmament is achieved, this money can be reallocated to further the welfare of

mankind. Precious lives will not be lost, and natural resources will not be wasted.

With these things in mind, I am appealing to the mothers of the world to join forces and establish "Mothers for Peace" organizations dedicated to ending war and to furthering the movement to abolish military armaments.

There is no woman, regardless of her nationality, who bears and raises her children so that they may die on the battlefield. Rather, they carry their children, give birth to them, and would sacrifice themselves to protect them from harm.

I appeal to all mothers from the bottom of my heart to support and cooperate with this initiative to abolish all armaments which might otherwise take the lives of their children in wars.

If you agree with these sentiments, regardless of whether you're a woman or a man, I'd like to hear your opinion concerning this problem, which concerns us all. Please send me a postcard or letter, and please include your name, address, occupation and age.



佐々川良一  
Ryoichi Sasakawa  
(82 years of age)

President  
World Society for the Memorialization  
of War Victims

Office of the Committee of Mothers for Peace  
Blue Sea and Green Land Foundation  
P.O. Box 16, Fukagawa Post Office  
Tokyo 135-91, Japan.

Respect your parents and elderly people. Take care of ill people.



# Carrington in Malaysia to mend trade fences

From David Watts Kuala Lumpur, Feb 7

Lord Carrington, the Foreign Secretary, begins tomorrow his most ticklish diplomatic task in three years — to patch up relations with Malaysia, which has reached its lowest ebb for a quarter of a century.

Not since he mended fences with the Saudis after the showing on British television of the film *Death of a Princess* has the Foreign Secretary faced a problem of such complexity, and of such economic importance to Britain. Malaysia's preference for non-British products has cost British companies at least £15.5m in the past few weeks, and could cost many times that in lost orders in the near future.

Among the deals that may depend on the success of the Foreign Secretary's visit are an order for the best-selling British Aerospace Hawk trainer/ground attack aircraft, and a regular annual contract for Leyland lorries.

The Royal Malaysian Air Force requires 26 jet trainers, of which British Aerospace hopes to supply at least a part. But competition is strong from cheaper and less sophisticated rivals from Italy and Brazil.

A regular contract with British Leyland for the supply of army lorries is part of the 9,000 Malaysian dollars (£2,100m) that the Government intends to spend on manpower, bases and equipment for the police and armed forces under the fourth Malaysia Plan between 1981 and 1985.

Britain has always been in the forefront as a supplier of military equipment to Kuala Lumpur, but with the office of Dr Mahathir Mohammed, the Prime Minister, monitoring all government contracts with Britain, that lead will be reduced.

Under rules introduced last October, the Prime Minister's office inspects all British Government bids and contracts and, unless there is no alternative supplier available, awards the contract to the next lowest bidder. Within the last few weeks, a £13m contract for the construction of a power station at Klang, 25 miles east of the capital, has been lost, and a £2.3m consultancy on energy-related construction work in the north-east state of Terengganu has gone to an American company, after a British bid on which the Matthew Hall company had been working for two years, had been rejected.

In the long-term, Malaysia's 42,800m dollar development plan has many opportunities for British companies, if the present resistance to things British can be overcome. Lord Carrington's task is a sensitive one, and quick results are not expected.

British officials say that Lord Carrington has nothing immediate to offer. He comes, as he said in his first speech on arrival, "to listen and learn". He has emphasized that "relations between Malaysia and Britain must be based on mutual respect and equality".

In Dr Mahathir Mohammed he is dealing with a complex and determined man, whose resentment of the British and the handling of their £1,000m worth of interests in Malaysia has a multitude of causes. The most recent is a series of real and imagined slights, which began last year with the removal of student subsidies, and reached a peak of intensity with a speech by the High Commissioner, Mr William Bentley, and what the Malaysian Government saw as an attempt by the British to prevent the Malaysians from buying up British holdings in the country.

# After unions and Ulster, what next for the great persuader?



Cabinet reshuffle: September, 1981

Putting a cheerful face on the move from Employment to Northern Ireland



Belfast: November, 1981

Leaving the funeral of MP Robert Bradford, murdered by the IRA

Asked to describe Mrs Thatcher's ways of picking her men in Northern Ireland, one Conservative MP once offered the following explanation: "In 1975 she won the election for the party leadership largely thanks to the efforts of Airey Neave. Brave man that he was, he was not truly shadow cabinet material. What was he given? Northern Ireland. Four years later she won the confidence vote and hence the election largely thanks to the efforts of Humphry Atkins. He was not cabinet material either and what did he get? Northern Ireland".

He was speaking, of course, before Mrs Thatcher geared up her interest in Ireland and began her summits with Irish leaders. He was also speaking before James Prior took over the secretary of state's pale green and white office with its mock Doric columns along the walls and the view over the soggy Stormont parliament.

Northern Ireland and its problems are now interlocked with the career of a man whose possibilities fascinate. As the open cabinet confrontations on economic strategy fail to materialize, Prior's performance in Belfast affects not only Britain's longest, aching crisis but also his rating in the game of speculative permutations about the next parliament. If it's hung, who will lead the Tories into negotiation with the Alliance?

Four months into a job which he so publicly did not want, Prior gives every impression of enjoying himself as he fences with Mr John Z de Lorean and reaches the "red meat" of the negotiations preceding his political initiative. He rates one recent week's agenda, which included an economic cabinet, a briefing on the initiative for backbenchers, the de Lorean crunch and sundry speeches across the country, the most strenuous week he has ever spent in government.

Interminable hours are now spent in an RAE plane flying between Northolt and Alderney airports instead of Norwich City, he occasionally watches the Belfast team Glenrath. He fancies the prospect of watching some racing, but the last hot tip from one of his special branch men that he put money on was a loser.

His background has equipped him with a robust education for a strange job — one which the holder himself is supposed to work to abolish. His father was a prosperous East Anglian lawyer who became a tea merchant; he was powerfully affected by his experiences as an official receiver in South Wales, the depression, when his duties included winding up farms which had gone bust. To encourage early financial self reliance, Prior senior equipped James with a cheque book at the tender age of 14.

Elements of Prior appear in the character of Peter Morrison, an MP in the ten-year cycle *Alms for Oblivion* by Prior's Charterhouse contemporary Simon Raven. Morrison appears as a staunch, decent and slightly stuffy schoolboy, taking his friends round his father's squalid "Norfolk desmesne".

The same novel, *Fighting Gray* gives Morrison a line which could stand up as the motto of Prior's pragmatism. "The mess is there," said Peter. "Something must be done." One Prior-watchdog even expressed fear that this briskness might be brought up short by the stubborn lessons of Irish history. "The trouble with Jim is that because of the nature of the man, if he thinks there is something to be done, he will go and do it. He does not think there is a problem that does not have a political solution".

The Suffolk land agent and farmer growing corn for the Coop and peas for Birdseye became an MP in the 1959 election and attached himself to Edward Heath, who he served as parliamentary private secretary for five years. His ambitious wife, Jane, established the family name in Commons and the four children now all grown up, travelled to London when he did. Prior has held directorships in firms dealing with

anything from boats and biscuits to lipstick.

After the Ministry of Agriculture the leadership of the Commons and the miners election of 1974, Heath made him employment spokesman, a job which he was told to hold for an unusually long stretch of seven years. According to one friend, he was cast into gloom by the news that he was to stay in the job under the new leader. Had he been cast as the whipping boy of a party which was hardening its face against unions whose memories of 1974 were still fresh?

He doggedly set out to reorganize Tory contacts with the unions, widening by degrees the circle prepared to talk freely to him, lubricating the process with supper parties for the leaders and their wives at his London flat. The same friend remembers him calling triumphantly on the night James Callaghan announced that he would not call an election in October 1978. Prior's antennae told him that the unions were planning a winter which would ruin Callaghan's claim to any special relationship with them and which would hand the Conservatives the election.

He laced his ministerial pronouncement with words which carried echoes of alternative leadership but which skirted the explicit economic dissent voiced by Sir Ian Gilmour and Peter Walker. "I want to try and hold this country together and to bring out the qualities which actually get people working together..." "You have got to work with the grain of society and we always have..." "The country is crying out for leadership..."

It makes for an irresistible comparison with Stanley Baldwin whose career Prior respects and whose coalition-juggling job he may one day be imitating. Baldwin defended the trade unions political

levy against his own right wing; Prior was christened "Pussyfoot" by the critics of his union bill who said that his nerve had been broken by 1974. Prior's informal advisors include Sussex University political historian and Baldwin biographer, Keith Middlemas.

Carefully nurtured press contacts paid dividends and there was only one exception. He was rapidly crushed as the source of a leak that British Steel's chairman might be prematurely retired; Mrs Thatcher issued a matronly and humiliating rebuke. A year later a Thatcherite whisperer suggested to the *Daily Express* that Prior and Joe Gormley had been holding conspiratorial meetings behind the back of a cabinet wrestling with a confrontation over pit closures. Reiterating that the source of the smear had been "within the government" the paper withdrew.

Having known for several months that Northern Ireland was on the cards, Prior attempted the notorious bluff which was called "Gambled", he said later "and it did not entirely come off". He not only retained his membership of the "E" committee on economic strategy, but bargained to take two members of his coterie with him to Stormont. Humphry Atkins had already assured one of his junior ministers who was subsequently moved to make room for one of Prior's new arrivals that he could leave on a trip to Australia secure in the knowledge that he would be staying in his job. The only man Prior failed to persuade to accompany him was his driver.

The "E" committee sometimes meets immediately after the Cabinet on Thursday morning but has also met on Wednesdays making the minister shuttle back from Stormont a day early.

His remaining London-based political adviser, Robert Shepherd, keeps watch while he is gone. Prior is now

deprived of the macro-economic briefs which used to be provided by the Department of Employment's economists. The backbenchers who identify with him murmur that he is now less accessible and less visible.

All this however matters less than he feared. He has pointed out to colleagues how Northern Ireland makes some mileage on television news almost every night. He is evidently enjoying ruling the wide range of mini departments which operate in his province. He can reflect on the fact that while Westminster may regard the place as a black hole, no secretary of state so far has left the job with his reputation measurably worse. His tenure cannot be much longer than two years and he has one clear shot at some political progress. "Some people say do nothing for five years, get the security right. I do not want to be just a proconsul who has nothing to do with politics. The place is alive with politics".

Whatever the fate of the initiative, his early approach shows an edge over his predecessor. Devolving some government somehow clearly takes precedence for the rest of this government over Anglo Irish unity, or the disengagement reflexes of disillusioned ministers. Prior proceeds with this clear principle firmly established; local politicians tempted by boycott or sabotage have to reckon that nothing else will turn up before 1983.

He has clearly dropped Atkins's assumption that nothing could move without complete agreement on what it should be. He is only looking for enough signs of acquiescence to know that whatever he announces will not be dismissed out of hand as a protest to see some signs of "irreversibility" among local politicians. He has already produced one important credential: a £90m aid package, considerably in excess of expectations and similarly in excess of money allocated to Scotland and Wales. Catholic and nationalist interest in the "Irish Dimension" otherwise decimated as "progress towards reunification" is kept alive by Lord Gowrie, who has cast himself in the role of the man who chills the unionist spines from time to time. He recently wondered out loud if Northern Ireland people might not hold both Irish and British passports simultaneously.

Prior operates on a theory of linkage: "Politics, economics and security go hand in hand here". He feels that the 1976-79 Labour Government failed to take the opportunity it was creating by pumping money into the province. "It was a pity they did not pressurize the unionists more into saying what the price of economic aid is going to be." Prior's price is cooperation. And he explicitly rejects the Unionist view that security can be treated alone and ahead of any other priority: "I am the last person to say that we have got on top of it. In modern society you just don't get on top of it by sheer force. You have to do it politically".

The negotiations have convinced him that his "leverage is not really very great". One of the few constructive lessons available from the traumas of 1981 was that sensitive experiments will not automatically trip off disasters. "The Catholic community was close to the brink during the hunger strikes, the Protestant community was close to it after Bradford's murder and the killings on the border, but they never went over the top".

The initiative may well be accompanied by ritual discoveries that there is a "ground swell" or "yearning" for reconciliation and successful political arrangements which have eluded so many governments for so long. Any momentum of the moment is entirely the creation of James Prior, who has done much of the creation by thinking aloud to most of the politicians he meets and most of the journalists who see him — a style which has scared his officials but not led him into any catastrophes so far. But the real tests are still to come.

George Brock



Bloodied but unbowed: Thai soldiers after a battle with Khun Sa's troops.

## Thais tame warlord's town

From Neil Kelly, Ban Therd Thai, Thailand, Feb 7

Thailand gave this mountain town five miles from Burma a new name over the weekend to mark its recapture from Khun Sa, the Burmese warlord who dominates the narcotics trade in the Golden Triangle.

Thai forces last month drove him and his private army out of the town which they had ruled like mandarins for a decade. The town was called Ban Hin Taek, but Princess Maha Chakri Sirindhorn, daughter of King Bhumibol, chose the new name, Ban Therd Thai, which means "village uplifted to freedom".

Thai authorities are trying to reassert the control which Khun Sa was allowed to seize in 1972. A new Thai flag flies over the centre and three battalions of troops are quartered here. Until a few days ago the nearest military post was two miles away.

Yesterday 200 paramilitary rangers fought a two-hour battle four miles from the town with 30 of Khun Sa's men, killing three of them without suffering casualties themselves.

Almost all the population of 1,650, mainly Burmese Shans and Chinese Yunnaneses, fled during last month's fighting but 70 per cent have now returned. Two small sections of the town were destroyed, largely by Khun Sa's men as they blew up stores of ammunition.

Otherwise the prosperous town which Khun Sa built with profits from his drug empire is intact. Strongly built concrete and brick houses and shops are a contrast with primitive bamboo and leaf shacks in neighbouring villages.

There is running water and electricity in most houses, from a new 220,000 generator. The 100-bed hospital built by Khun Sa is superior to many in larger, less isolated communities.

Khun Sa's own house stands in a commanding position above the town. Personal possessions are scattered everywhere: clothing, books, children's toys, pots and pans, ornaments, a 23in television set.

Nearby is the imposing residence of his chief of staff and the public relations office of Khun Sa's Shan United Army. Here a press is still in working order. Tape recorders and film cameras produced material publicizing the army's cause: the liberation of the Shan people from Burmese rule.

The town has two guest houses for distinguished visitors. Thai Army officers said many well-known Thai military men and politicians had been among Khun Sa's guests. The Government will use Khun Sa's properties for the benefit of the local community.

The location of the town partly explains why Khun Sa and his drug empire went unmolested by the Government for so long. For half the year during the hot season it is virtually cut off from the outside world. Even now a helicopter or a vehicle with four-wheel drive is needed to reach the town.

## Slump takes the pep out of Costa Rican election

San José, Costa Rica, Feb 7. — Costa Rica, Central America's showpiece democracy, is voting today in general and presidential elections overshadowed by the country's worst economic crisis in more than three decades of political stability.

The 1.2 million Costa Ricans eligible to vote appear far more concerned with food shortages, high inflation and high unemployment than in voting themselves in a national election campaign. After almost a decade of spending more than it earned, this tiny republic now finds itself with a \$2,600m (£1,400m) foreign debt which it cannot start repaying. The economic slump is of such proportions that the presidential candidates have avoided detailing their planned solutions.

One victim of the crisis likely to be the ruling Unity grouping, a broad-based coalition led by President Rodrigo Carazo Odo, who under the constitution cannot run again for office.

All the opinion polls point to a comfortable victory for Unity's main rival, the National Liberation Party (PLN), and its presidential candidate, Señor Luis Alberto Monge.

Senor Monge blames the Government for the crisis and denies that his centrist party, traditionally a big public spender, sowed the seeds of the crisis.

Costa Ricans are used to one of the highest standards of living in Latin America. The divide between rich and poor is smaller than in El Salvador and Guatemala and the abolition of the Army more than 30 years ago removed the possibility of a coup.

The boom days for Costa Rica ended when world prices of its vital coffee exports fell.

A scarcity of dollars and pressure on Costa Rica's currency, the colon, forced the Government into a formal devaluation last year. The colon now trades at around 40 to the dollar compared with a previous official value of 8.5.

This year's campaign lacks the colourful parades and spontaneous political gatherings of past years. The fear of violence is growing. — Reuters.

## Economic emergency in Bolivia

La Paz, Feb 7. — Government employees will get pay rises, but the price of food will be frozen and public spending curbed under Bolivia's emergency economic package, details of which were revealed yesterday.

The military Government has devalued the Peso, in an attempt to stop the country going bankrupt, and has outlined a number of other measures.

Government sources said that petrol prices would rise by between 33 and 43 per cent, pushing up transport costs. To compensate for this, Government employees would receive pay rises of between 17 and 130 per cent.

Bolivia's "sufferers" from a chronic shortage of foreign exchange, which has been exacerbated by the world economic recession. Reserves were virtually exhausted by the end of last year and the country is saddled with a \$3,800m (£2,000m) external debt.

President Torrello said that Bolivia's economic predicament was caused by its poor use of foreign loans, high interest rates on its short term debts, and the exorbitant cost of luxury imports.

Soon after President Torrello announced the new measures on television, the armed forces confirmed their confidence in his Government, and called on the population to give it their "patriotic support". President Torrello, an army general, came to power in a coup last year. — Reuters.

## When mother love was born

Elisabeth Badinter, the 37-year-old wife of the French Minister of Justice, argues coolly — that there is no such thing as natural maternal instinct, that it is a culturally acquired emotion.

In support of her argument she has written a book detailing the historical evidence of the lack of maternal instinct in French women over the past 200 years.

Needless to say, the book, published next Thursday, *The Myth of Motherhood* (Souvenir Press, £8.95, £5.95 paperback) has roused considerable criticism in France. Psychologists, paediatricians, educationalists and the clergy have all denounced it. Although she was the first woman to be appointed a full professor at the Ecole Polytechnique in Paris, in person Mme Badinter is gentle and looks younger than her years. She speaks quietly, softly and convincingly of her ideas, and she is the obviously affectionate mother of three children, Judith, 15, Robert, 13, and Benjamin, 11.

"Maternal love is not deeply rooted in women's natures," she says. "If it were, we could observe it everywhere. It would be universal. But if you study history, especially the seventeenth and eighteenth centuries in France, you see that women quite easily gave up their babies. English women, too, especially aristocratic women, had similar attitudes".

Elisabeth Badinter says that the concept of the child as a precious being, a frail creature needing love and tender care, came with the



new science of demographics, the writings of Rousseau and the rise of the bourgeoisie.

"The mother-dominated family is an ideological invention of the nineteenth century," she says.

Concerned about falling population and the number of infant deaths, French authorities started emphasizing hygienic home care for infants, and the "new mother" came essentially from the new middle class.

"By accepting responsibility for her children's upbringing the middle class woman became the central axis of the family... The holy domestic monarch".

As evidence she cites detailed statistics: "In 1780 Jean Charles Pierre Lenoir, lieutenant-general of the Paris police, noted, not without some bitterness that only 1,000 of the 21,000 babies born each year in Paris were being breast fed by their mothers. Another 1,000 newborns, children of privileged families, were breast fed by live-in wet nurses. The rest were taken from their mothers and sent to wet nurses outside Paris. The poorer the child, the further it was sent, sometimes as far as Normandy or Burgundy".

The practice was not confined to Paris. It occurred in most French cities. In Lyon, for example, Prost de Loyer, a police lieutenant pointed out, "there are close to 6,000 births yearly. Out of these there are at most 1,000 whose parents can supply good nurses. The others are cast off to wretched ones."

Elisabeth Badinter holds degrees in psychology and sociology and now takes a course in the history of the family at the Ecole Polytechnique. She has a special interest in the eighteenth century.

The practice of using wet nurses went all the way down the social scale. "Almost everybody in the cities except the very wealthy and the very poor sent their babies away."

It was, she said, a very haphazard arrangement, depending on a fluctuating supply of peasant girls in the country who had given birth to their own babies.

The reasons for sending a child away seem to have varied according to the economic circumstances. The wives of wealthy merchants, lawyers and government officials preferred to spend their time on social activities. On the other hand, the wives of

silk workers, shopkeepers and other artisans who worked alongside their husbands could not afford to take time off to nurse their own babies.

Peasants in the country generally did not give up their own children unless they were extremely poor, in which case they would abandon their own babies in order to be paid for nursing a city child.

Not even all aristocratic babies were kept at home. A typical case was the great statesman Charles Maurice de Talleyrand, who was baptised on the day of his birth in 1754 in Paris and handed over to a wet nurse immediately afterwards.

She took him to her home in an outlying district. During more than four years his mother did not visit him even once, nor did she ever inquire about him. For instance, she was quite unaware that an accident had left her son with a club foot.

"It would be senseless to speak of mother love during this period," Elisabeth Badinter says. "When society does not put pressure on women to keep their children you find that women do something else. It was true in ancient Rome as well."

She also criticizes the authors who led the "maternal revolution" — Rousseau and his twentieth-century counterpart Freud. "They had the same definition of what is a 'normal woman'. They said that woman could be fulfilled only in giving birth and mothering a child. They saw women as passive, masochistic and

narcissistic. I completely disagree with this, and with the concept of Freudian guilt."

She added that it was well known now that a child needed love to develop well, but it was better to be a mother one hour a day, but happy and working, than a mother 24 hours a day, but not washing clothes."

She sees parallels between the aristocratic French women of the eighteenth century and the professional women of today.

"Women in the eighteenth century didn't feel guilty of not taking care of their children. And now we don't feel as guilty as we used to."

The great hope for the future, she says, is in the growing phenomenon of paternal love. Her own husband, Robert Badinter, has always helped her take care of the children.

In the future she thinks men will share in the pressure to be good parents.

"For centuries men repressed tenderness and emotion towards babies and little children," she says. "Now they are discovering pleasures they never knew. I don't think it will enslave them. They will still be men, just more pleasant for women to live with."

In fact, she says, if the trend continues she would not be surprised to find a new theory of the paternal instinct emerging.

Rosemarie Wittman Lamb

Why Are You Shamed By Your Mistakes In English?

WHAT THIS FREE BOOK WILL SHOW YOU

- How to stop making embarrassing mistakes in English
- How to become a fluent conversationalist and effective public speaker
- How to overcome your shyness and speak with power
- How to read faster — better!
- How to put punch into your writing!
- How to meet your goals!
- How to develop self-confidence!

To Practical English Programme (Phone 01852 882222) Please send me your free English book

NAME

ADDRESS

POSTCODE

No stamp needed in U.K.



**Road**  
Ambassadors Theatre  
Box Office 01-556 1171



# Why we are backing Tebbit's bad Bill

by Brian Capstick

A member of the SDP Trade Union Reform Group

Social Democratic MPs will vote tonight with the Government in support of the Employment Bill, some of them reluctantly so because, despite its popularity with the electorate, the Bill is unlikely to do much to improve industrial relations. For the most part, it re-enacts the battles of years gone by, using the weapons of the period, and is largely irrelevant to the contemporary industrial relations scene.

The Bill's main provisions relate to trade union immunities and the closed shop, and in both cases its principal innovation is to open up the possibility of big cash prizes for the successful litigant. For the first time in recent years the Bill exposes unions themselves to legal action, so that employers who are victims of secondary or political action which the union has authorized can recover damages from the union's institutional funds.

In principle there is no reason why the Queen's Writ should stop at the door of Transport House, but the problem is that by aiming, as Mr. Len Murray put it, "at the heart" of the union movement, the Government is striking at the wrong organ. The heart of the trade union movement is a sclerotic but generally responsible affair, which is often seen at its liveliest

when superannuation is on the agenda. The real mischief in industrial relations is wrought not by the heart but by the arms and legs of the trade union movement, the local groups of activists and militant shop stewards. Mr. Tebbit's Bill will do nothing to restrain their activity, and may even encourage it.

One life-line which besieged employers have relied upon in the past is the (diminishing) influence which full-time union officials may bring to bear on shop-floor mavericks, but, by putting union funds at risk through the activities of full-time officials, the Bill may force them to retire from the scene and make unofficial action even more difficult for employers to control.

As it happens, there is an incipient branch of law which may help employers to curtail unofficial action by groups of militants, and which does not touch the unions as such. Instead, it allows employers to be much more flexible in their response to selective strikes than they can now be. An example is the Engineering Employers' Federation's proposal for lay-offs in selective strike situations, a possibility which is absent from the Bill but which is now being actively considered by the Social Democratic Party.

Another difficulty has been foreseen by Mr. Tebbit himself. It is that union coffers are generally light, and unlimited awards of damages would soon bankrupt many of them. Even Mr. Tebbit appears reluctant to do away altogether with his traditional sparring partners, and has therefore put a financial limit on what may be recovered in any given proceedings. Unfortunately, the law relating to industrial disputes is rife with situations where half a dozen different plaintiffs may start action as the result of the same or connected incidents.

A number of different proceedings makes nonsense from the union's point of view of any limit imposed on each one of them, and damages of millions of pounds could easily mount up as the result of a single incident.

A related problem has to do with the sheer complexity of modern labour law. No more than a handful of lawyers really understand it and most of them disagree with each other, with the result that a committee of trade union officials has a slim chance indeed of coming to grips with it successfully.

The consequence is that unions are at least as likely to stumble unwittingly into costly legal action as they are willingly to flout the law which can hardly

be the intention of a measure designed to tame the unruly behaviour of the overmighty subject.

One solution to these difficulties might be to allow unions to be sued in injunction proceedings, and only to allow their funds to be at risk if they subsequently disregarded any injunction issued against them.

The second limb of the Bill beefs up the compensation to be paid to the victims of the closed shop. What is most lacking in the Bill, and in almost all discussion of it, is a sense of proportion about this issue. The worst evils of the closed shop, such as the well-known British Rail cases, are largely a thing of the past and were due as much to management ineptitude as to union militancy. Most modern union membership agreements allow for extensive exemptions, and dismissals for non-membership are rare, being frequently provoked by the "victim" when they do occur.

What the Bill does is to provide tax-free awards of between three and four years' net pay (average income) for closed shop victims, a generous award by any standards and difficult to justify by comparison with the paltry awards handed out in race or sex discrimination

cases or unfair dismissal cases generally.

The Bill also introduces the idea of five-yearly reviews by ballot, a proposal which dismisses some employers because of the union militancy which the prospect of such a ballot is bound to encourage, and the damage done to stable collective bargaining if the result is a split into unionism. One is hard put to see what need there is for these ballots when genuine conscientious objectors already have a quite independent right to opt out of the union and claim the same compensation if they are dismissed.

In many respects, therefore, the Bill is ill thought-out, but then, as one MP remarked, most bills are, and this seldom deters governments. On balance, the feeling of the SDP is that the Bill's basic provisions for compensation for closed shop victims and some limit on union immunities are along acceptable lines, but that the Bill is sadly irrelevant to the more pressing issues of the day.

Its potential for harm could be very much reduced by amending some of its details with the result that the SDP's best course is to support the Bill, albeit with reservations, and promise a review of the legislation if, as some predict, the cure turns out to be worse than the disease.

# You can't keep the middle classes down

What has happened to the British bourgeoisie to make its members bounce back into a state of vitality and confidence?

Five or six years ago it was almost impossible to open a newspaper or switch on television without being told that the species was facing extinction. I fear that I may have started this wave of pessimism with an article which appeared in *The Times* in December, 1974, under the title: "The Question Mark Hanging over the Future of the Middle Classes". A leader the following month on "The Anger of the Middle Class" thundered about the danger of a middle-class revolt.

An Independent Television documentary in June, 1975, was entitled "The Mangling of the Middle Classes", while the *American Magazine* devoted the cover and much of the contents to its issue of November 1, 1976, to "Britain's Battered Middle Classes".

In the same month Morley Safer, the American commentator, told the audience of a CBS programme on the state of Britain, "The rich still eat their strawberries and cream, the workers are lazy, the middle class has nowhere to turn, having been bled white by high taxes and 20 and 30 per cent inflation."

Faced by the serious prospect of an assault on their standards and institutions by a Labour government apparently committed to socialist egalitarianism, the middle classes responded by a mixture of embarrassment and apology. They were still suffering the guilt feelings engendered by the social and intellectual revolt of the 1960s.

The fate of the Middle Class Association, a campaigning pressure group set up by John Gort, Conservative MP for Hendon North, in the autumn of 1977, illustrates how widespread these guilt feelings were. From the outset it was bedevilled by doubts among the membership about its name. Gort saw those doubts as symptomatic of the drive to strip the middle classes themselves of their middle class status. "My colleagues in Parliament blush when you mention middle class", he said. "They can't call a spade a spade any more, although they still talk of the working class."

The late Patrick Hetherington summed up the view of many when he wrote in his book, *The Decline and Fall of the Middle Class*, published at the end of 1976: "Never has a section of society more enthusiastically co-operated in its own euthanasia. If the characteristic attitude of the middle class has to be summed up in a single phrase, it would surely be the words, 'I'm awfully sorry but you're treading on my foot'."

The mood now is totally changed. Members of the bourgeoisie hold their heads high again and no longer feel the need to apologise to the lower middle class. Perhaps more important, while the overall state of the British economy has continued to worsen since the mid-1970s, the relative position of the middle classes has actually improved. A survey by the Institute of Fiscal Studies of the first year of Mrs Thatcher's Government, for example, found that even the hard-pressed and complaining civil servants had enjoyed a rise of ten per cent in their standard of living while skilled manual workers had suffered a fall of six per cent.

The brunt of the hardship brought about by the worldwide economic recession and exacerbated by the Government's rigid adherence to monetarism has been borne by the working classes. Although it is true that a growing number of small

businessmen are facing bankruptcy, and that the spectre of redundancy is looming over some of the professions, the fact remains that unemployment is still an overwhelmingly working-class experience.

Throughout the twentieth century the middle classes have remained consistently better off, better treated at work and healthier than the working classes. They have longer holidays, lower blood pressures, thinner figures and higher incomes than the national average. They have also, in a society which is supposedly becoming more classless, held their commanding positions in the major institutions of the country. The proportion of those in the higher echelons of the Establishment, such as judges and senior civil servants, who were educated at public schools has actually increased over the postwar period.

Could another factor in the regained confidence of the bourgeoisie be the psychological boost given by Mrs Thatcher's election victory in 1979? After all, her election campaign involved a passionate appeal to middle-class values and a repudiation of the bourgeois guilt implanted by left-wing commentators and intellectuals. Were not the Conservatives put into power to make the middle classes respectable (and rich) again?

In fact, studies of the pattern of voting in 1979 show that it was not the case that the middle classes rallied to Mrs Thatcher. The swing to the Conservatives was actually highest among skilled manual workers in the C2 socio-economic class. In the professions and managerial AB classes there was actually a swing of 1.5 per cent to Labour.

It is also doubtful if it is Thatcherism that has been primarily responsible for restoring the middle classes' sense of self-belief and confidence. One of the main ways in which those in professional and technical occupations have increased their earnings and maintained their differentials from blue-collar workers has been by recourse to the distinctly un-Thatcherian weapon of trade union militancy.

There is also a strong case for saying that the middle classes have saved themselves from decline not by returning to the traditional bourgeois ethic of enterprise, ambition and commercial drive extolled by Mrs Thatcher, but by pursuing rather different values and attitudes. One of the main reasons people are deciding to trade money for leisure and to accept a lower material standard of living than their counterparts abroad.

In a poll carried out for *The Times* in June 1980, 60 per cent of middle-class respondents (compared to only 43 per cent from the working classes) said they would not work longer hours for more money; 61.5 per cent (50.5) said that they had no ambition to be rich, and 30.5 per cent (18) said they had no ambition to earn more than their present earnings.

The middle classes led Britain into the Industrial Revolution and developed the work ethic as a necessary basis for life in an industrial society. It may well be that they will also lead the country into a post-industrial society where a new and much less narrow philosophy of life will be needed.

Ian Bradley

Ian Bradley's book *The English Middle Class* is published today by Collins, price £6.95.

# Petrol: must our children still be poisoned?

by Des Wilson

I was angered all last week after being handed a confidential letter by the nation's top medical adviser to senior Whitehall colleagues which warned in unambiguous language of the danger to children from lead in petrol.

Had the letter been made public at the time that it was written, we would now be on our way to lead-free petrol and our CLEAR (the Campaign for Lead-free Air) campaign would never have been necessary.

It is a highly significant letter for three reasons. First, while ministers continue to say that there is no convincing evidence that low-level exposure to lead is a real threat to health, their own chief medical officer, Sir Henry Yellowless, put himself emphatically on the record a year ago that "there is a strong likelihood that lead in petrol is permanently reducing the IQ of many of our children". No one can any longer claim that there is no high-level opinion opposed to the use of lead in petrol.

Ministers have to make a choice. They either continue to quote the report of the Lawther committee as evidence that lead in petrol is not the main cause of lead pollution, or they have to accept the advice of their chief medical officer, Yellowless and Lawther so contradict each other that there is no room for compromise in their views.

Secondly, those who have up to now criticized the Lawther report have been accused of not being open to reason. That accusation can no longer be made. The letter adds up to a complete rejection of the fundamental approach and conclusions of the Lawther committee.

Lawther's report denied the link between lead in petrol and lead in food.

Sir Henry Yellowless, on the other hand, says "lead in petrol is a major contributor to blood lead acting through the food chain as well as by inhalation".

Thirdly, the chief medical officer's letter admits that "there is no doubt that the simplest and quickest way of reducing general population exposure to lead is by reducing sharply or entirely eliminating lead in petrol". In this he contradicts ministers who still seek to pinpoint other aspects of the more serious problem.

I find it deeply disturbing that I believe many MPs will take such powerfully worded advice should have been restricted to a few permanent secretaries, and possibly to one or two ministers. The use of lead in petrol is an issue of considerable public concern. It is probably the major public health controversy in this country today. If I am correct in believing that its publication would have caused a public outcry and forced the phasing out of lead in petrol, then its confidentiality contributed to a disastrous decision. We, the taxpayers, employ the chief medical officer, not his Whitehall masters. Do we not have a right to the publication of his advice on such matters before and not after it is watered down or filed away in Whitehall? (In fact, this is an affair emphasizing the need in this country for an independently run environmental protection agency as in the United States to maintain surveillance on public health matters outside of the influence of the Whitehall bureaucracy.)

Of course, Whitehall will claim that Sir Henry Yellowless does not actually call for a complete ban, but surely the strength of his feeling



Traffic pollution at its worst: in Britain 90 per cent of all airborne lead comes from petrol.

"the risk to children is now shown to be too great for me to take any other course" and the nature of the risk he spells out, speak for themselves. It is also the case that shortly after Sir Henry's letter was written lead levels in petrol were set for reduction by 1985, but they have been reduced five times and on each of the previous four it was later decided that the reduction was inadequate.

Other countries, the United States, Japan and, most recently, Australia, have all shown that lead-free petrol is perfectly possible and all have acted on the health evidence. In Australia, as in Britain, the petrochemical industry fought the decision to ban lead in petrol by denying the health evidence and exaggerating the costs and difficulties. It produced estimates of the costs that were proved to have been exaggerated five times. The Australians, however, to quote the words of Henry's letter, "opted for lead-free petrol... despite the substantial costs and the energy penalties so involved".

What are the facts behind the lead in petrol debate?

Lead is a neurotoxin, a brain poison. Between 7,500 and 10,000 tonnes of it are emitted into the air over Britain every year from car exhausts. It is not disputed that 90 per cent of all airborne lead comes from petrol.

As the chief medical officer confirms, there is a steady line of evidence, study reinforcing study, that at low levels of lead exposure, children, who are four to five times more vulnerable than adults to its toxic effects, can be adversely affected. They can become easily distracted, hyperactive, difficult to control, or suffer from reduced intelligence. There is also evidence of a link between lead in pregnant women and stillbirths. That evidence has convinced other countries and has convinced a growing number of doctors and scientists in Britain too.

The claim that a move to the limit of 0.15 grams per litre by 1985 is the quickest way of reducing lead levels is nonsense. By far the most effective way is to do what the Australians plan to do and reduce lead levels from existing cars to 0.15 grams per litre while insisting that within four years all new cars

be manufactured to take lead-free petrol and all petrol stations be required to supply it. This is perfectly possible. Other countries have done it — can anyone really claim that the Japanese car manufacturers have suffered? Indeed, some British car manufacturers are already manufacturing cars to take lead-free petrol for export markets that demand it.

The obstacle to a ban on the use of lead in petrol is the enormous influence of the petroleum and car manufacturing industries on Whitehall, where Energy and Treasury officials have been particularly closely allied with the economic case. The problem is that all the estimates come from the industries concerned, yet in every country where this issue has been debated these industries have exaggerated the problems.

I have referred to the Australian case earlier. In West Germany, for instance, they said it would cost DM1,000m to modify refineries to reduce the lead limit; in fact it cost DM300m, 30 per cent of their initial estimate. Powerful vested

interests are being pitted against the health and well-being of our children and as is so often the case the economic interests are winning the day.

That evidence is even more complete now that the chief medical officer's opinion is publicly known. In my view the case is now unanswerable, not that there ever was a defence for distributing a poison over our cities in this irresponsible way. Were someone to propose it for the first time today, especially now that the full health effects are known, he would be given short shrift. These industries must be told that the practice is to be stopped as soon as possible.

Will it cost twopenny, or threepenny, or fourpenny more a gallon of petrol? Possibly. In any event, I cannot believe that the parents of this country would put the performance of their cars before the performance of their children. Rather I would answer this question with another. Is the mental health of our children negotiable?

Des Wilson is chairman of CLEAR, the Campaign for Lead-free Air.

# Whip hand in medical research

The next director of the National Institute for Medical Research is to be the man who brought you Instant Whip. Dr. David Allan Kees, who has been nominated to head the Medical Research Council's largest non-clinical research establishment, with a budget of £8m and a staff of 600, has hitherto been principal scientist to Unilever.

He researched the structure and biochemistry of polysaccharides, and discovered a process by which otherwise fluid materials could be given physical shape. It is now standard technique in the manufacture of soft ice cream and instant desserts.

Dr. Kees has had connections with the Medical Research Council for the past two years as part-time co-director of its biophysics unit at King's College, London.

He recently played an important part in suggesting a new management structure for the institute which will see him move in September.

He will succeed Sir Arnold Birnberg, who is leaving to become Master of Darwin College, Cambridge.

Yankee know-how

"In my view British newspapers are wholly inadequate, lacking in background and often biased."

This wounding declaration, luckily, comes from a figment of someone's imagination — a managing director invented by

Newsweek for an advertisement puffing the magazine's bulk subscription service. The man, who seems to be an opinionated nincompoop, says his company is so dependent on imported oil that executives cannot afford to be ignorant of the day-by-day political developments in the Middle East. He recommends Newsweek for facts and background.

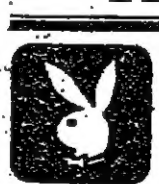
Biased as I am, I suggest there is inadequate background here to explain how a weekly publication is to help in understanding developments day-by-day. The issue containing the ad offers on the Middle East only a sketchy story about Syrian training camps in Iraq and a speculative piece on possible civil war in Sinai. Neither mentions oil.

In the debate as to whether a statue of Stanley Baldwin should be placed on one of the two plinths remaining in the members' lobby of the House of Commons, supporters of Margaret Thatcher have but one concern — that there should be a pedestal left for her.

Silent service

Sir Richard O'Brien, the chairman of the Manpower Services Commission whom Norman Tebbit put on his bike last week, is the last man who would be accused of disloyalty or indiscretion. A few years ago he refused to show the Commons select committee on employment the MSC's annual corporate plan on the ground that it contained confidential figures. He maintained his defiance until minis-

# THE TIMES DIARY



With sorrow I learn that the Playboy bunnies are about to bounce their last down Park Lane, where the new management seek a less risqué image.

have a theory the last time I sought to air it Victor Lowmyer tried to stop me publishing and ban me from the club — that their uniform of crumpled carset, cotton tail and

terial permission to release the document had been obtained. The joke was that then none of the journalists he was so anxious to keep in the dark noticed the information anyway.

Warming

One thing remains to be said about the triumph of Britain's ice dance champions, Jayne Torvill and Christopher Dean, in retaining their European title at Lyon. Despite the worst that abysmal French television presentation could do, it was still wonderful to watch at home — a welcome change from crawling cricket, heaving horses' bottoms, the waistcoated dandy dicks who play snooker, and the collision of beer-bellies before a dashboard.

Though not inaccurate, commentator Alan Weekes can still be inept. "Fourth in Europe, third in the world" he told us of the British pair's Russian rivals — but even he got it absolutely right: "This is beautiful to watch." Congratulations.

flopsey cars was devised only to make the waitresses appear so ridiculous they had to be polite to the customers to prove they were still human.

In my limited experience, with their knees-bend called the Bunny Dip, Kleenexes stuffed down their décolletage and Scotch tape in strategic places, they were unfailingly polite and efficient, the next best thing to Lyons' nippies.

Winning idea

Another glittering prize for aspiring authors — the £5,000 Sincclair-Browne award — and here Jude Research Hospital, Memphis, just write another Animal Farm, psychiatrist — in return for five mish-mash or Hard Times. A hamburgers, five cheeseburgers and some potato crisps.

The publishing partnership of Patrick Browne, owner of Cambridge bookshop, and Clive Sincclair, of the computer firm, offer the award for the manuscript of the best, full-length novel of social and political significance. Browne says they want to tempt authors away from the inward agonies of the individual psyche and back to the English tradition of political satire or novels with some real social background. Good luck to them.

Musical names

What have the Prince of Wales, the Prime Minister, the Archbishop of Canterbury, the Lord Mayor of London, the Duke of

Westminster and Lord Rosebery in common? Well, you may be right, but what I had in mind was that they all at St James's Palace on February 8, 1982, to found the Royal College of Music.

They will all be there again, in the form of Prince Charles, Margaret Thatcher, Dr. Runcie et al on February 28 to recreate the scene as part of the college's centenary celebrations. Also there will be successors or descendants of all the others recorded in the pages of *The Illustrated London News* as having attended the inaugural meeting.

At last somebody has defined the value of a psychiatrist. A man holding hostages at gunpoint at St Sincclair-Browne award — and here Jude Research Hospital, Memphis, just write another Animal Farm, psychiatrist — in return for five mish-mash or Hard Times. A hamburgers, five cheeseburgers and some potato crisps.

How fair?

Suspicion can be worse than proven guilt. Last week a car dealer was prosecuted for offering credit facilities without having a licence to do so from the Office of Fair Trading. Another company, which did have a licence, was charged as his accomplice, and fined in the cases totalling more than £11,000.

The curious thing is that the Office of Fair Trading were specifically withholding a licence from the dealer when the offence was committed because they wanted to make further investigations about his company.

Puremark Ltd, which trades as the Sandwell Car Centre in West Bromwich. The licence has been issued since, and now the Office of Fair Trading say it will not necessarily be revoked.

If it is not, it will be like magistrates turning a blind eye to the fact that someone has been selling alcohol without a licence on the grounds that he was not giving short measure.

Off licence

Women's rights champion Anna Coote has compromised her conscience and accepted half a box of claret bought from El Vino, the Fleet Street drinking hole which all right-thinking feminists are supposed to boycott for its refusal to serve women at the bar.

It came as payment for a contribution to *Punch* — a story about how Nicholas Fairbairn,

the Scottish Solicitor-General who fell from grace, once made a pass at her in the deserted waiting room of an Edinburgh birth control clinic that happened 14 years ago and Coote has been, if not dining out, at least lunching on it at intervals ever since. It was very honourable of *Punch* to pay for such a tale, even in wine of however doubtful provenance.

It was not magic which produced a shower of fine bone-china dinner plates at the end of Paul Daniels' run at the Prince of Wales theatre. It was Wedgwood. Daniels presented plates, specially commissioned to commemorate the Magic show, to everyone on the theatre staff.

Stamped on

Members of Parliament enjoy the benefits of free post, but the perk does not work in reverse. Des Wilson, the pushful spirit behind CLEAR, the campaign for lead-free petrol, wanted to tote a sack of 635 letters down to Westminster, one for each MP. He does not shirk where publicity is concerned.

The plan was stalled by Sergeant at Arms' rules that visitors to the Commons can deliver only one letter by hand at a time. Not even charities can save their 150/ps by delivering in bulk because, as Commons' staff reasonably explain, they have no sorting office.

Anna Coote: compromising

PHS





P.O. Box 7, 200 Gray's Inn Road, London WC1X 8EZ. Telephone: 01-837 1234

## SELL! SELL! SELL!

Nothing symbolizes the contrast between the public and private sectors quite as neatly as the events at Laker and British Airways last week. Laker, with a record of cutting costs and prices to the bone, was forced into liquidation. British Airways, which has been notoriously slow to cut its staffing levels to world standards, was allowed to borrow an extra £53m under government guarantee.

Nothing would have been gained by converting Laker Airways into a pensioner of the state. But we can ensure that more of elements now in the public sector, are taken out and exposed in future to the disciplines of the market. The Government's record so far has been disappointing. It has done little and plans less. The sales so far have been on the periphery, with the highly successful exception of the 51 per cent stake in British Aerospace. Over the next three years the Treasury is expecting assets of only £1,500m, a sign of the extent to which the early hopes of the Government have trickled into the sand.

The problems of Laker seem to have given new impetus to the Government's hopes of privatizing British Airways. These have been blown off course by the large losses which have been incurred in recent years by BA in common with other companies in the world airline

industry. Loss makers are never easy to sell; loss makers in an industry where everyone is losing money are clearly unsaleable.

However, the losses are not the whole story. Some of the features about BA which contribute to those losses are the results of bad management over the years.

A vicious circle has grown up. The company's losses mean that it cannot be sold off, while the fact that it cannot be sold off has become an extra reason for postponing the moves to create efficiency which it badly needs. The Government ought to take urgent steps to put this right. Parts of the business, such as the helicopter operations, could be sold off even in today's difficult circumstances. For the rest, what is needed is a firm commitment to sell off the operation within the lifetime of this Parliament and a timetable to make sure that happens. The Government will have to accept that much of the money currently counted as loans to British Airways will have to be converted into equity if the flotation is to succeed.

A similar approach is needed in other parts of the public sector. The Government has not been good at converting its desires into action in such fields as the fringe activities of the railways, including hotels and ferries. There are large parts of the public sector which

cannot and should not be privatised. The railways are an essential public service and have to remain in public hands. Most of the gas and electricity industry fits the same description. Those industries which remain in the public sector must be encouraged to become more efficient and allowed to carry out the investment they need to become efficient. There is no sense in keeping an industry in the public sector and then depriving it of the means to do its job properly.

But the need to give those concerns which are legitimately part of the public sector proper access to funds makes it all the more urgent to open up to private capital those which can be run privately. No one should expect that selling off British Airways or the country's gas showrooms will produce miraculous gains in efficiency. Some of the companies which go into private hands will fail. But others will get the chance to grow by giving the public better service.

Nor should the success of the programme be considered solely by how much money the Government succeeds in raising from it. The proper location of the boundary between public and private industry is one of the Government's most important and hitherto least successful, areas of operation. It ought to show greater determination in its efforts to push on with privatization.

## THE SOUR SMELL OF EL SALVADOR

El Salvador has now become a major issue in the United States, with sharp differences in Congress over what policy should be taken. Even within the Reagan Administration there are differences of emphasis between Mr Haig, who has made a point of talking tough about possible military action, and Mr Weinberger, who has let it be known that he is less hawkish; while the right is beginning to be critical of Mr Haig for not matching his words with action. The reason is a simple one. Things are going badly in El Salvador, with a mounting death toll from the virtual civil war and the economy badly shaken. And there are grounds for fearing that by becoming more involved, the United States may be repeating the mistakes it made in Vietnam.

The basic preoccupation of the Administration is understandable. It does not want to see a domino process in Central America, beginning with El Salvador and ending with a string of hostile leftist regimes, all allied to Cuba. It believes, therefore, that it has to do everything necessary to support, or even prop up, the present Salvadorean Government, regardless of its shortcomings. So Washington is prepared to turn a blind eye to the blatant violations of human rights, which have led to the cold-blooded killings of thousands of people on mere suspicion of sympathy for the guerrillas. And it is making

the most of the regime's virtues—the presence in it of President Duarte, powerless though he is to stem the repression, and its aspirations to carry out agrarian and other reforms.

The trouble is that the policy is not working. It is simply not possible to present a regime with such a murderous record as democratic. And next month's elections will not alter that fact, because it is not possible to hold fair and open elections in an atmosphere of repression like that in El Salvador today. More critically, the regime is even having difficulty in holding its own against the guerrillas on the military front. The guerrillas are entrenched in various parts of the country, and they recently achieved a spectacular coup when they succeeded in blowing up helicopters within a military base. The prospect, therefore, is of a prolonged and bloody stalemate, in which neither the regime nor the guerrillas is able to win a clear victory, and in which there is more and more death and misery among the population; or else of victory for the guerrillas.

It would clearly be unreasonable to expect Washington simply to cut off all aid to the Salvadorean government. That would mean virtually handing the country over to the guerrillas. But it should use the leverage that it has, by virtue of the regime's

dependence on it, to force a more constructive course. It should bring more pressure to bear on the Salvadorean army to end its atrocities. And above all, it should force the regime to give up its refusal to negotiate with the guerrillas. The guerrillas themselves have now proposed negotiations, which they previously refused, and such negotiations have been widely backed, both inside and outside El Salvador, as the only way to resolve the country's difficulties.

Such a course would be hard for the Reagan administration to accept, because of its reluctance to have dealings with Marxists. But it has to recognize the realities of Central America today, and the fact that there is a surge of opposition to the military regimes which held power for so long, with their close links to the United States. This opposition is helped by Cuba, and suits Cuba's purposes; but it has not been created either by Havana or by Moscow, and mere repression will not eliminate it. If Washington is prepared to deal with these new forces, in El Salvador, Nicaragua and elsewhere, it should be able to achieve a modus vivendi with them. If it is not, it is liable to find in the long run that its worst fears have been realized and that, like Cuba in the 1960s, they have turned to Moscow.

## David Wood Reporting Parliament by half

To say that the reporting of Commons debates is not what it was might appear to be a calculated reflection on the quality of industry of the new generation of coal-face workers in the press gallery. No such slight is intended. In fact I would say that the average level of gallery ability at Westminster today is higher than in the years immediately after the 1939-45 War, when men in demob suits were remodeling their Pimms' shorthand and desperately remembering everything they had ever known about politics and politicians.

I should say, rather, that there has been a marked change in the reporting of parliamentary debates and then add, while acquitting the reporters, that the change is not necessarily helpful. What precisely has happened and why? In short, nearly every London and provincial morning paper nowadays reports only half of each Commons sitting, and those whose business or interest it is to follow public affairs must increasingly wait for Hansard (which also has early deadlines) to arm themselves with the text of speeches delivered after supper time. Refer any day to *The Guardian* or *The Daily Telegraph* in particular.

Long-serving politicians are clearly puzzled that newspaper priorities for parliamentary, as distinct from political, reporting have shifted to question time and statements, which occur before tea time, and rarely to the opening speeches in a debate. No

wonder. They remember, as do many reporters who grew grey in the gallery, that the red meat of politics used to be flung into the cage late at night, in wind-up speeches and during long sittings into the small hours next day.

That was when Commons theatre produced its high drama and low comedy. That was when the division lobbies, when Barbara Castle and George Wigg planned the public downfall of John Profumo, when George Brown had to be begged by friends not to resign, when 10 Downing Street announced at 2.45am that British troops would land in Jordan 75 minutes later, when Iain Macleod, the new Chancellor, suddenly died, and when Clement Attlee announced he would fly to Washington to stop the Americans using the atomic bomb during the Korean war.

At that time London newspapers kept open their parliamentary reports until the last edition was about to roll; and *The Times*, with its strict rule that the "box" should never be left empty no matter how long the House sat, always reopened the parliamentary page to give the time of "who goes home" or even to say that the Commons still sat. It seems to me, following politics one remove from the press gallery, that the reporting of a parliamentary sitting even in some heavy papers carries risks of distortion, and their readers deserve some explanation—much as the readers of many provincial evening papers, which now roll off main editions before the Commons even prays and sits, needs some explanation of the total absence of any Westminster news except political comment, usually speculative or peripheral. Television and radio news flashes, with slots measured in seconds rather than minutes, are no substitute for the printed word if politics are to be taken as a serious study or interest. The change for the worse in

parliamentary reporting, on all the evidence to hand, is to be explained partly by the ill management of the House in Fleet Street, partly by the decline in the standing of Parliament and parliamentarians, and partly by the blessings of a new printing technology that I no more love than understand.

This is no place, or this is not the typewriter, to discuss why both evening and morning newspapers throughout Britain, facing competition from instant news on radio, have brought forward their edition deadlines at a time when their transparent interest must have been to put them back. But they have done so, obviously for sound managerial reasons.

Nor does the new technology, so far, provide a solution. It tends to turn breakfast editions of Fleet Street papers into late editions of the evening paper, as it flagrantly does on the Continent. It also tends to pass control of the news flow from the reporter on the spot to technicians, who understandably want the alternating trickles and catarrhs of news to reach their desks in an orderly way. ("Dear George, please don't resign after midnight—the new technology can't cope with it.")

One answer would be attractive to some, though not many, politicians: a radio channel wholly devoted to reporting parliamentary debates. Yet that is clearly not the answer. No students of politics can spend all their working hours listening to the longwindedness of a debate, waiting for their special point of interest, and no one listening to the spoken word, however experienced, can manage without a printed text, perhaps summarized and sensibly explained. In the end, politics and politicians need the press as much as ever, and we must hope that the press will continue to feel they need Parliament. That is not the way most of the press now seem to follow.

## British stance on EEC Budget

From Mr Robert Jackson, MEP for Upper Thames (Conservative). Sir, The tone of Wednesday's Commons exchange about the European Budget (Parliamentary report, February 4) suggests that there may be a serious misunderstanding of the issues at stake. The main point does not relate to the relatively trivial amounts of money over which the Council contends Parliament was acting *ultra vires* in adding to the 1982 Budget. This will cost Britain some £2.5m gross a month—but in net terms Britain should make a profit from this spending, including £5m for housing in Belfast.

Rather, the central issue concerns Parliament's attempts to change the way in which Community expenditure is "classified", with the effect of limiting its budgetary powers over so-called "obligatory" expenditure on the common agricultural fund. It is notorious that the CAP is not subject to proper budgetary control, leading to a 23 per cent annual growth in expenditure between 1976 and 1979. The Council has so far consistently been unable to resolve this problem within itself, either by obliging agricultural ministers to take account of the financial costs of their decisions, or by agreeing upon a series of costly policies. And, of course, this weakness of financial discipline over the CAP lies near the root of the overall imbalance in Britain's net contribution to the European Budget.

The CAP seems to elude the control of the governments in the Council. *A fortiori* it is not subject to the control of the national parliaments.

In fact, the only way to impose financial discipline over the CAP is to make it fully subject to a normal process of Budget-making, so that the claims of agriculture can be properly weighed against other priorities, and so that an adequate measure of public accountability for public money spent by the European Community can be exerted through the European Parliament. This is what the Parliament is contending for, and it is to be hoped that, in the interests of Britain and the Community as a whole, the British Government will support its efforts.

Westminster should not see every extension of the European Parliament's powers as a loss for itself; neither Parliament will lose from the developments now at issue. The principle of parliamentary accountability will be the gainer.

Yours sincerely,  
ROBERT JACKSON  
4 Churton Place, SW1.

## Canada's Constitution

From Sir Bernard Braine, MP for Essex, South East (Conservative). Sir, The British Parliament, as Lord Denning confirmed in his judgment last week, retains the power to repeal or amend the Canadian Constitution, contained in the British North America Act, 1867 to 1930.

I know of no member of Parliament who is not prepared to give up this power, but we are asked to do more than this, if we enact the Canada Bill. We are expected to approve at Westminster, against strenuous opposition within Canada, a new Canadian Constitution containing a detailed Charter of Rights and Freedoms.

While we retain jurisdiction, therefore, we cannot be expected to enact so comprehensive a measure blindly and uncritically. We have not only the right but

## Abiding commitment to British Rail

From Mr T. R. Thomas. Sir, My grandfather, J. H. (Jimmy) Thomas, was a tough man. He was the signatory, on behalf of the railway unions, to the agreement dated November 6, 1918, which achieved the eight-hour day for railwaymen. It is this agreement, signed over 60 years ago, that is the root cause of the current dispute. My grandfather was also, not in order of importance, a great railwayman, a great union man and a great patriot. He believed in the dignity and equality in the rights of the working man and the importance of a strong British economy.

Over the weeks of the rail dispute, I have often wondered what Grandpa's position would have been. I believe that he would not have called a strike that savaged the public, damaged the economy and (above all) jeopardised the future importance and viability of his own industry. In my heart I know that he would never have allowed this dispute to reach the levels of inanity that prevail.

In particular, he would never, as a good argumentative Welshman, have allowed what he believed to be a good case to go by default. He would have talked, talked, and talked again.

Think on it Mr Buckton. Could you look me in the eye and say that Jimmy Thomas would have given you his blessing? And, before you say "irrelevant", look up the records and see what he achieved for your members.

Yours faithfully,  
TIM THOMAS,  
Friskey's Wood,  
Billingshurst, Sussex.  
February 5.

From Mr Harley Sherlock. Sir, In your editorial today (February 4) you summarise the cause of the travelling public's present misery by referring to Aslef as "a doomed craft union". But you show very little sympathy to members of this union who, in the name of productivity, have given up nearly a third of their jobs in the last 15 years. Surely they are by now entitled to some assurance from the Government that the necessary capital investment will be available to ensure that British Rail becomes more productive through the use of better equipment and an increase in custom: not just through the shedding of labour.

The Government, as paymaster, also has its rights and cannot be expected to sign a blank cheque without some positive sign that words about increased productivity are going to be translated into deeds. It is important therefore that the present calamity should be made the occasion for everyone to look beyond their entrenched positions and to decide whether they

want a railway system or whether, for widely different reasons, they want to see the system strangled to death.

There are a lot of us living on this small island and, unless we are prepared to turn our remaining agricultural land into an endless suburb, most of us will continue to live in densely populated cities which are dependent on good public transport. Without an extensive railway system these cities will suffer socially, economically and environmentally.

It is therefore in the national interest that the Government stops sitting on the sidelines and confers with the country's railwaymen, committed to keeping its railways rather than allowing them to become steadily less efficient through lack of capital investment. Without such an assurance neither management nor work force can be expected to plan positively for the future.

Yours faithfully,  
HARLEY SHERLOCK,  
Chairman, Transport 2000,  
258 Pentonville Road, N1.

From the Secretary General of the Council of Civil Service Unions. Sir, The attack on Aslef in your leader of February 4 would be more credible if *The Times* had a consistent record of championing arbitration (whether binding or otherwise) and independent inquiries in general.

Last year I repeatedly told the Government, the press, and anyone who would listen that the Civil Service unions were willing to seek resolution of our dispute through conciliation, or through binding or non-binding arbitration. *The Times* did not urge the Government to take that statesmanlike course or condemn the "self-righteousness" of the employer. It could not, conversely, have made more plain its determination that the Civil Service unions should be beaten, no matter what the cost.

I can only conclude that *The Times* believes in arbitration when it thinks such a course would favour the employer. That is a lack of honesty of the purpose of arbitration.

Yours sincerely,  
W. J. KENDALL,  
Secretary General,  
Council of Civil Service Unions,  
19 Rochester Row, SW1.  
February 5.

From Mr David Mitchell. Sir, Mr Jack Dash led the assault which emasculated the London docks beyond the point of recovery. Is history about to repeat itself in the form of Mr Ray Buckton and the British railway system? Yours faithfully,  
DAVID MITCHELL,  
Hollingsworth House,  
Tydd St Giles,  
Wickham, Cambridgeshire.

He has, however, reaffirmed the solemn and binding nature of the obligations owed by the Crown in Canada to the Indians, Metis and Inuit nations. He gave us at Westminster the broadest hint when he concluded that "No Parliament should do anything to lessen the worth of these guarantees."

A petition by Indian chiefs which I presented to Parliament on January 22 contains incontrovertible evidence of past extinguishment of native rights and there is disturbing evidence that Canadian governments intend to terminate these rights when they have the power to do so. Our moral duty at Westminster is clear: we must play our part in ensuring that the guarantees affirmed by Lord Denning can never in the future be broken.

Yours truly,  
BERNARD BRAINE,  
House of Commons.  
February 2.

commodities, products and services. Once these are established and contacts made, a vigorous and continuous follow-up exercise is activated, with check-listed results monitored—result, maximisation of two-way trade.

My firm impression has been that BOTB activity is a one-way traffic and as such, the multi-dimensional totality of trade involvement (as for instance practised by Japan and West Germany) is reduced to one single dimension: exports.

There have been literally hundreds of outward missions to the ASEAN area but market share has fallen steadily over the past ten years. In other words the cost effectiveness is problematical. If there is acceptance of South East Asian growth prospects as the most viable trading area in the next ten years, British posts overseas should be specifically charged with the responsibility of co-ordinating all trade-related activities. While respecting the experience and dedication of those exercising control, there is a requirement for natural motivators. They should have sufficient drive and enthusiasm, combined with delegated authority, to inspire involvement in total trade expansion in all its multi-dimensional implications and commitments.

There should also be continuity in order to maintain momentum. They could be subordinate to a director general of trade in the area, with complete regional autonomy in South East Asia. The organisational structure of the former South East Asian Command (SEAC) very ably led by the then (late) Lord Louis Mountbatten is a good example of such a potentially successful headquarters which could be based in Hongkong.

Yours faithfully,  
FRANK MCKELLAR,  
Senior Representative UK,  
Hong Kong Trade Development Council,  
14-16 Cockspar Street, SW1.

## Conserving the countryside

From the Chairman of the Countryside Commission. Sir, Your perceptive second leader, "Cambria's untrodden way", of February 2, goes a long way to answer points made in the letter from Alan Mattingly, of the Ramblers' Association, which you published on the previous day. But your readers could still be under three misconceptions about the plans of the Countryside Commission.

First, Mr Mattingly says we are closing our regional offices. In fact we are closing two, leaving seven offices in England and one in Wales, with some corresponding boundary adjustments. This is in response to staff reductions imposed on us; in fact, a larger proportion of our rather smaller staff will be in regional offices in future than now.

Secondly, it is quite untrue to state that the commission "is becoming heavily involved in 'wildlife conservation'"; our policy continues as previously, of furthering the conservation and enhancement of the countryside's natural beauty and amenity of which the wildlife is an integral part.

Thirdly, the reference to "a switch in priority from recreation to conservation". That is correct, for we do plan to put rather more of our resources into countryside conservation in the future. We see protection of the countryside as the prerequisite for its enjoyment; and we believe our sense of priorities accords with that of the public at large. But Mr Mattingly and the rambling fraternity need have no fear that their interests will be forgotten. Most of our grant aid is currently for recreation and access schemes—footpath improvement, creation of country parks and picnic sites, access to moorland, heath and woodland for example—and they will continue to be important features of our programme after we become independent of the Civil Service this coming April.

Yours faithfully,  
DEREK BARBER, Chairman,  
Countryside Commission,  
John Dower House,  
Crescent Place,  
Cheltenham,  
Gloucestershire.  
February 4.

## University challenge

From the Director of the London School of Economics and Political Science.

Sir, Professor Robin Marria's brilliant defence of Britain's universities (feature, February 5) is correct in its facts and impressive in its arguments. I wonder whether you would be prepared to give Sir Keith Joseph a chance to make his case in your columns, if indeed he has anything to say.

More particularly, I for one should be interested to know why it is that successive governments of Britain have, to use Robin Marria's words, turned against the things which the country does particularly well. Yours sincerely,  
RALF DAHRENDORF, Director,  
The London School of Economics and Political Science,  
(University of London),  
Houghton Street, WC2.  
February 5.

## The buyer's premium

From the President of the British Antique Dealers' Association.

Sir, In Mr Leisenring's letter of February 2 regarding the buyer's premium, his knowledge of the American reaction would appear to be somewhat misguided. The support that my association and the Society of London Art Dealers received from all the art and antique associations and museums of America was very considerable, both in sentiment and finance.

Does Mr Leisenring earn a living from buying at either Sotheby Parke Bernet or Christie's New York? For if he does not, I would point out that over 75 per cent of the buyers at those auction houses are people who do.

No! I am in total agreement with your paper's leader (January 16). What other profession, other both parties for the same transaction? Yours faithfully,  
CHARLES B. LEE,  
The British Antique Dealers' Association Ltd,  
20 Rutland Gate, SW7.  
February 3.

## The Tawney tradition

From Professor L. S. Pressnell.

Sir, "Valiant efforts are made by left-wing publicists to claim him. It will not do" (*The Times*, November 28, 1961). Your leading article on Tawney's eightieth birthday acknowledged that "No man alive has out more people into his spiritual and intellectual debt".

How wrong for any group intent on political power to debate that achievement and themselves by now appropriating it for narrower ends. How inconsiderate also towards existing, well-established, and emphatically non-political institutions more properly carrying his name: the Tawney Society of history students at his main academic home, the London School of Economics, the distinguished annual Tawney lectureship of the Economic History Society. Let the SDP repent of their error. Now. Yours sincerely,  
L. S. PRESSNELL,  
Eliot College,  
University of Kent at Canterbury,  
Canterbury.  
February 4.

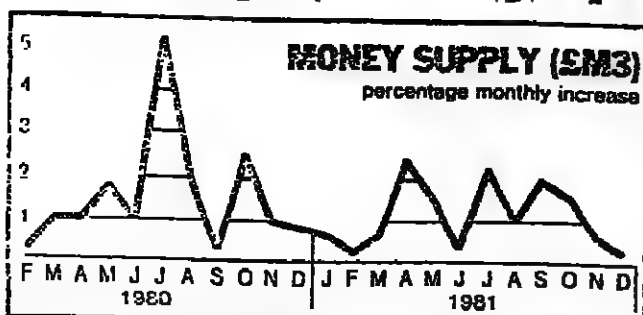






## BUSINESS NEWS

### M3 likely to rise by 1pc



The Bank of England publishes tomorrow its preliminary estimate of the growth in sterling M3, the broad measure of banking money, for the banking month to mid-January. Many City estimates look for growth of 1-1½ per cent. Figures for the London clearing banks will give some idea of the buoyancy of bank lending to the private sector, but the figures are likely to understate the true picture because of the large scale purchases of commercial bills by the Bank of England in its open market operations.

### Sangers shake-up expected

Sparks look certain to fly at the special board meeting at Sangers, the loss making pharmaceutical group, called for tomorrow. On the agenda is expected to be the invitation for Mr Tom Whyte, who holds 24 per cent of the shares, to join the board and a call for the resignation of several of Sangers' directors and Hill Samuel, its financial advisers.

Mr Whyte, former head of the crashed Triumph Investment Trust, last night expressed dissatisfaction with Hill Samuel's financial advice and complained that the last chairman's report had made no mention of the group's mounting financial losses. Mr Whyte bought his stake in Sangers in July when he believed a recovery was on the way in the United States pharmaceutical industry. Mounting costs and competition have resulted in losses so far of £1m in the six months to August 31.

Since then he has recommended the appointment of Mr Philip Saul, a lawyer, and Mr Brian Plinn, an accountant, whose brief is believed to include the sale of the main loss makers and realization of assets.

### ACC warns to Ronson

Speculation was growing yesterday that a majority of Directors on the board of ACC was now prepared to accept Mr Gerald Ronson's bid of £46m against the earlier offer from Mr Robert Holmes a Court of £36m. Mr Holmes a Court has also been asked by shareholders of TVW Enterprises, his television offshoot, why he has not taken up Mr Ronson's higher offer.

SE Labs (EMI), the telecommunications equipment manufacturing subsidiary of Thorn EMI, has changed its name to Datatech.

RCA, Philips and Signetics of America have signed an agreement to design and develop advanced high speed micro chips.

## THE WEEK AHEAD

### Realignment at Imps

#### LONDON EXCHANGE

FT Index 578.8 up 3.3  
FT 100 65.15 up 0.20  
FT all share 329.93 up 1.21  
Bargains 23,166

Imperial Group should show an improved second-half performance in the full-year figures for the year to October due on Thursday. Analysts are looking for profits of £100m against £127m in 1980.

Unexpectedly poor first-half results when profits had slumped from £70.7m to £29.7m, led to reorganization plans which could include the £130m sale of its food division. There are also rumours that the poultry division will be shed.

As the British tobacco market had continued to shrink, Imperial's margins have been helped by price increases last September and again in January, but there is still the possibility of further redundancies in the tobacco division.

Evidence of better cigarette earnings in the United Kingdom in its second half came last week from Gallaher whose trading profits were up from £59.7m to £64.7m.

There should also be an improved performance in the second half from Howard Johnson, the United States subsidiary, where operations, which include hotels, restaurants and food manufacture, are heavily dependent on summer traffic.

Analysts expect the dividend to be maintained at 18.3p for the year with an improvement in profits during 1982. Earnings before tax are expected to rise with estimates ranging from £115m to £130m.

How far-reaching the reorganization plans of Mr Geoffrey Kent, the new chairman, are will be critical. His new strategy has not

#### DIARY

TODAY: Hire purchase and instalment credit statistics (December).

TUESDAY: London clearing banks' monthly statement. Vehicle production (January provisional).

THURSDAY: Steel production (January).

FRIDAY: Building societies monthly figures.

#### OTHER EXCHANGES

Hongkong: Hang Seng Index 1,365.70 down 2.88

Tokyo: Nikkei Dow Jones Index 7,801.85 down 32.82

New York: Dow Jones Industrial average 851.03, up 4.00. (Friday's close)

#### BOARD MEETINGS

TODAY: Interim: Samuel Heath and Sons, Home Farm Products, Meat Trade Suppliers, Plastic Broadstone Investment Trust, Lancashire and London Investment Trust, Manchester Ship Canal, U.C. Investments.

TOMORROW: Interim: Amstrad Consumer Electronics, Crouch Group, Guildhall Property, Wm Jackson, Donald Macpherson.

Finals: Aronson Bros Crescent Japan Investment Trust, Great Nicholson, Ladies Pride Outerwear, New Tokyo Investment Trust.

WEDNESDAY: Interim: Ashley Industrial Trust, Benn Bros, Epicure Holdings, Grippard, Heelam, Leader Trust, General Finance, BOC Investment Trust, Consolidated Drapery, Securicor Security Service, Yeoman Investment Trust.

THURSDAY: Interim: Christie-Tyler, Christy Brothers, R. M. Douglas, Hamilton Oil, Great Britain, Imperial Group, Mining Supplies, Mountfield Group.

Finals: Lohr, River Plate and Central Investment Trust.

FRIDAY: Final: Alexander Holdings, Brook Tool Engineering, PRCOM Inc, Wagon Finance Corporation.

#### ECONOMIC VIEW

TODAY: United States budget announced. The size of the projected deficit will be watched closely by the money markets as a guide to interest rates. In Britain, the wholesale price index published. Recent figures have looked encouraging, raising hopes that inflation may fall a little faster than the Government is forecasting. Retail sales figures due. High street trading has shown no clear pattern in recent months.

TUESDAY: key indicator during the week is the money supply figures. The City appears to be looking for a rise in January of 1 per cent or under in the growth of sterling M3 which has grown at an annual rate of 15½ per cent in the last 10 months compared with a target of between 8 and 10 per cent. Central government borrowing figures for January.

FRIDAY: Retail price index published. It will show whether inflation in Britain is still going up or whether the 12 per cent target seen in November and December was the peak.

## Strike may lead BL to halt new trucks investment

By Edward Townsend, Industrial Correspondent

The board of BL could decide this week to withdraw investment approval for the company's new range of light trucks, a move that would lead to more job losses and closures in the strike-hit commercial vehicle operation.

After two weeks of strike action, it is clear that the future of BL truck-making hangs in the balance and directors will argue that without some further streamlining, the entire BL recovery plan could be knocked off course.

A decision on the 7-12 tonne light truck range is due from the BL board on Wednesday when it meets for the first time since the strike began. The trucks are due on the market late next year and will complete the Leyland Group's model replacement programme.

About 12,000 Leyland workers at three plants—Bathgate in West Lothian and Leyland and Chorley in Lancashire—are on strike in protest at the company's decision announced in November by Mr David Andrews, the BL executive vice-chairman, to sack 4,100 of the 22,000 truck and bus workers and restructure the business in a bid to staunch

mounting losses. Before the stoppage, Leyland was losing about £2m a week, and a report on the company's finances is expected to be delivered by Mr Andrews to the board on Wednesday.

Talks last week between management and union officials which followed the presentation by shop stewards of an alternative strategy for Leyland ended in deadlock and will not be resumed until next Monday. Meanwhile, failing the success of behind-the-scenes discussions at Bathgate, it is expected that some board members at Wednesday's meeting will advocate the closure of the Scottish factory and push for manufacturing to be centred at Leyland.

This would also entail a substantial reappraisal of BL's capital spending plans. During the next four years, the company has estimated total capital investment at £1,439m, of which £300m is earmarked for the Leyland group. Of the latter, about £108m is to be spent at Ashok Leyland, the Indian truck operation, which is 50.6 per cent owned by BL.

The troubles of the truck and bus subsidiary have been aggravated by a warning



Mr Andrews: preparing to report on group finances.

from J. C. Bamford, one of Leyland's main engine customers, that if the strike does not end by this Friday it will place orders elsewhere. The carman's equipment manufacturer takes about a third of BL's 98 series engine output and claims to have spent £250,000 on retooling to introduce a competitive engine.

BL said last week that the loss of the JCB business would add 200 to the 1,365 job losses already announced at Bathgate.

Also at stake is a joint venture between Leyland and a leading engine maker, believed to be Cummins, for the production of a new truck engine. The deal was expected to be announced within the next few months with the Bathgate plant making some of the components.

Leyland's plight, which follows last year's slump in the commercial vehicle market, has been underlined by industry figures just released which show that while total United Kingdom truck and bus sales rose in January by more than a quarter compared with a year earlier, BL's share fell from 20 per cent to under 16 per cent. Ford increased its share to a record 44 per cent.

Further pressure on the strikers has come from senior management and shop stewards at BL's Jaguar factory in Coventry which is dependent upon supplies of six-cylinder engine blocks from the Farrington foundry at Leyland. In a plea to the Leyland strike committee, Mr George Fry, the Jaguar convener, said that if new supplies of blocks were not found by Wednesday, jobs at both plants would be at risk.

## Loan rates top Basle agenda

From Peter Norman, Brussels, Feb 7

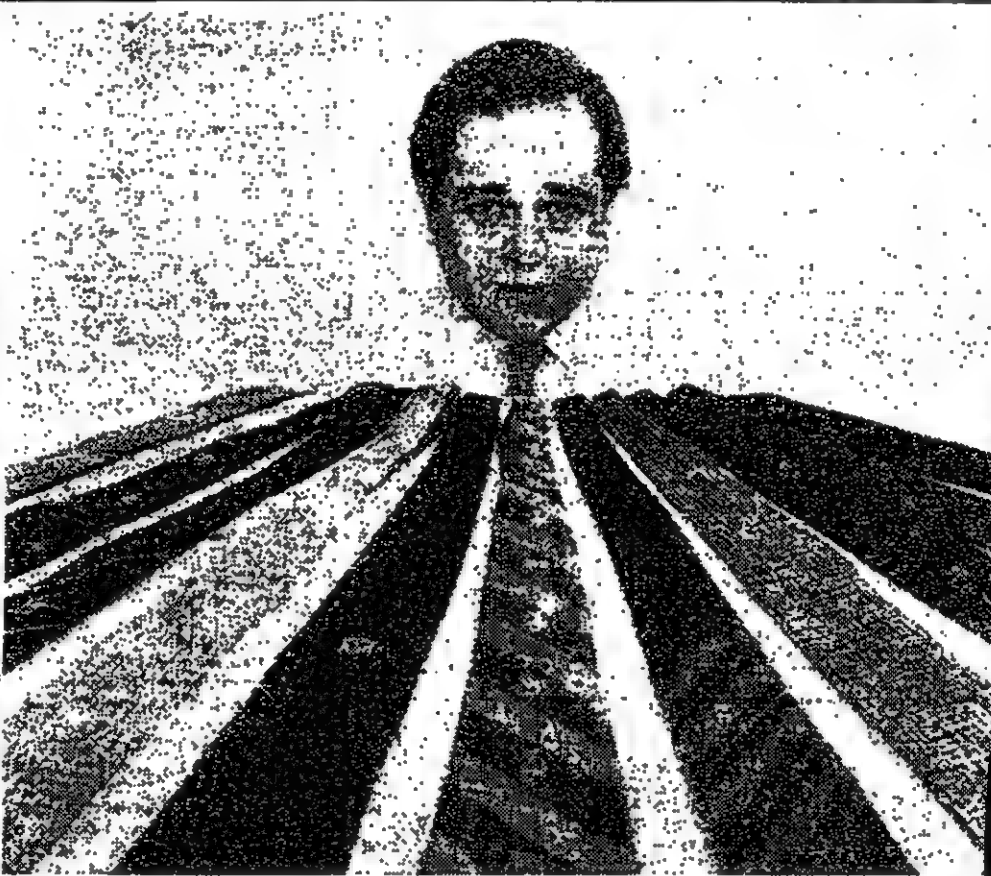
The volatile nature of United States interest rates is likely to dominate once again the regular monthly meeting of western central bankers in Basle, Switzerland, which takes place today and tomorrow in the Bank for International Settlements.

While short-term technical interest rate forecasts are difficult, a judgement of United States policy is now practically impossible in the light of differences between the Treasury and the White House on the one hand, which would like to see interest rates fall, and the United States banking system, the Federal Reserve, that lower interest rates can follow only from a fall in the federal budget deficit.

The monetary shock waves are causing some central bankers — most notably Mr Fritz Leutwiler, who is both the governor of the Swiss National Bank and the president of the BIS, — to call for a better management of exchange rates. But again, the United States with its policy of an intervention policy, is the principal stumbling block.

Also likely to be discussed, albeit informally, is the Polish debt. The Poles have promised to settle all outstanding interest on their 1981 commercial debt by February 15 to enable the stalled rescheduling agreement for last year to go ahead.

The money has been flowing sparingly to the various creditor banks but the central banks are unlikely to ignore the possibility of Poland failing to meet the deadline.



Peter Klingner: equipped for competition

## All tied up by sheer design

By David Young

Peter Klingner would love to get your company by the throat. His firm designs, weaves and makes up ties for most of the main companies and trade organizations in the country. He has recently completed a reequipment programme which means that he has capacity at his Hemel Hempstead factory to produce 40,000 intricately woven ties each week.

In the past 10 years all the plant and machinery at the factory have been replaced so

that the sheer intricacy of the designs that can be introduced should protect the company from competition from cheap imports.

Mr Klingner, who employs 30 people at the factory which opened in Hemel Hempstead in 1965 after the business moved from Manchester and Blackburn where his father founded it in 1945, said: "We can offer a service which the Third World textile producer can't compete with. We process the yarn, weave it

and design it all under all under one roof and the designs can be so intricate that only those companies which have invested in modern equipment could compete."

Most of the ties are produced in synthetic fibres. A recent design for the Post Office incorporates more than 100 miniature and highly detailed Penny Black stamps. But high quality silk is also being used for more and more customers.

## Retailers call for shop hours study

By Derek Harris, Commercial Editor

The Retail Consortium, which represents 90 per cent of the retail trade, yesterday entered the growing controversy over extended shop opening hours and called for a government review before any new legislation goes through.

A shops Bill, due for second reading in the Lords tomorrow, could remove all restrictions on trading hours, leaving shops to open late in the evenings and on Sundays.

The consortium admits that the 1950 Shops Act has led to many anomalies but argues that lack of a consensus on shop opening hours should persuade the Government to set up a review before legislating.

This could take the form of a Royal Commission or a

departmental inquiry and a consultation document.

Mr Bob Lloyd-Jones, the consortium's director general, said: "A total removal of restrictions is unlikely to be acceptable. It is our view that change will have to take place, but that the change should be sensible and take full account of the need to protect both shop owners and shop staff and the community they serve."

The consortium's own members have split on the issue. Some multiple chains are believed to be in favour of Sunday opening with later opening on more weekday evenings. But others are concerned, particularly at the increased cost of opening outside normal hours, especially on Sundays. Trade union opinion is also opposed to change.

## 'Use unspent £100m' call

By Our Industrial Staff

Nearly £100m, budgeted for construction projects but unused by Government and local authorities, should be rechanneled into the construction industry, according to Britain's civil engineers.

Sir Geoffrey Howe, Chancellor, to provide an extra £500 million in his Budget for housing, roads and sewers. The Federation of Civil Engineering Contractors said today Government help was needed to boost the ailing industry and provide more jobs.

Mr Derek Gaultier, federation director-general, said £60m would be underspent on

motorways and trunk roads this year, and at least £30m of local authority works.

The Transport Ministry was partly to blame, he said, for not ensuring that schemes would be ready to take up the slack.

He added: "We don't think we need to convince Michael Heseltine (Environment Secretary) of the need for more works, but this is the familiar problem of the Treasury's blocking things."

The civil engineers do not agree that money is being underspent because firms desperate for work are undercutting each other.

## 'Business as usual' spirit lessens rail strike effect Coach hirers reap unseasonal benefits

By Rupert Morris

Industry is bracing itself for a fifth week of train-drivers' strikes with near equanimity tinged only by the worry lest the drivers' escalation of their action should be matched by British Rail and lead to a total shutdown.

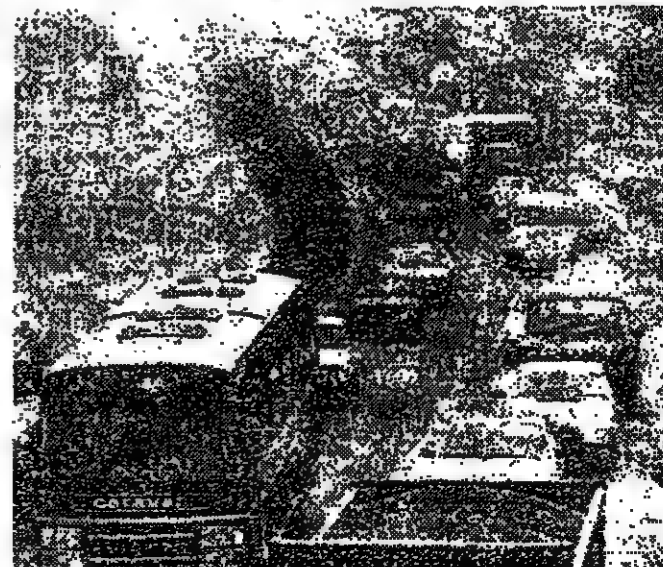
With 85 per cent of Britain's goods carried by road, two-day rail strikes are bound to have only a limited effect, even if the decision to strike on Tuesday and Thursday this week instead of Wednesday and Thursday does, as expected, prove more disruptive.

For the vast majority, the strikes have been a nuisance, and the main effect has been to give a much-needed boost to coach companies, normally languishing from the tourist low-season, but suddenly frantically busy ferrying people to and from work.

The Confederation of British Industry's response was typically Churchillian. "The resilience of industry and its employees has not yet been broken", it declared, and went on to pay tribute to people's resourcefulness and ingenuity in finding ways of getting to work.

The increase in numbers of people driving to work has led to traffic jams in the cities, but many are sharing cars, and the most significant development, in the South-East in particular, has been the willingness of companies to hire coaches to bring their staff in to work.

ICI now hires 10 coaches a day to bring its employees into central London, and reports attendances have risen 90 per cent, while BP, which already runs coaches to some outlying areas, has put on an



Commuters hit, but coach hirers are booming

extra 24 a day, and claims that attendances are 100 per cent in most of its offices.

A typical London coach hire firm, like Atlas Coaches of Acton, has found its business doubled, and has had to hire another 17 coaches on top of its regular fleet of 14.

"It couldn't have come at a better time for us", Mr Bill Weller, Atlas Coaches' traffic manager said. "Our normal tourist work is down, but now we've got about another £1,500 a day coming in which we wouldn't otherwise have."

Regular coach services under the National Bus Company umbrella have enjoyed increased custom, but have only been able to put on occasional extra vehicles. Drivers cannot be recruited overnight. The company's biggest

## Sun Oil may merge North Sea interests

By Jonathan Davis, Energy Correspondent

Sun Oil, the tenth largest American oil company, has been considering merging its North Sea interests with an independent British oil company to create a "third force" in the British oil industry.

There has been speculation recently about Sun's future North Sea involvement — and in particular about the fate of its principal asset, the Balmoral field in block 16/21, 150 miles north east of Aberdeen. Development plans for this discovery, which could eventually prove to contain more than 100 million barrels of oil, are reliably expected to be submitted to the Department of Energy later this year.

Speculation that Sun might be giving the Department of the field or selling part or all of its 63 per cent interest in the block has been prompted by two recent events. One was the resignation of Mr David Williams, the British geologist in charge of Sun's North Sea exploration. The other was a larger-than-expected £28m rights issue by Clyde Petroleum, one of the partners in the field.

Sun has denied that it was giving up the operatorship of the field, and has insisted that no part of its stake was up for sale. However, it is reliably understood from industry sources that the company with the Sun know-

ledge of Energy Department officials, has been talking with more than one British independent company over several months.

One idea under consideration is a merger in which Sun's interest would be combined with those of a second-rank British exploration company such as Lasso, creating a new company with assets of several million pounds. Under this arrangement, Sun would keep a minority interest in

the new company. Clyde Petroleum is also believed to have talked to Sun about the possibility of Clyde increasing its 15 per cent stake.

The other possibility being aired is that the state-owned British National Oil Corporation, which is operating for a consortium drilling what is believed to be an extension of the Balmoral field in a neighbouring block, might ask over development of the field.

Sun was said to be shocked last year when the licence covering the possible extension was given to the BNOC-led consortium in preference to its own group.

If Sun decides to press ahead as operator at Balmoral, it has to decide whether to use a fixed platform or a floating production system and how to finance the operation, likely to cost several hundred million pounds.

Iran has reduced the official price of its crude oil by \$1 a barrel in an attempt to boost exports, the Middle East Economic Survey reported yesterday.

The authoritative weekly oil newsletter said the National Iranian Oil Company had selected the cut in official prices to its customers on Friday.

The new official prices, on the basis of 30 days' credit are \$33.20 a barrel for Iranian light and \$31.20 for heavy.

The breach on the world-wide official price structure, both inside and outside Opec, was fraught with "weighty consequences" for the international oil scene, already witnessing a continued slide in spot prices. "Though when it will end is far from clear".

It added that because of conditions in the spot market, Iran's price cut was not large enough to attract as many new buyers as it hoped.

## Reagan budget faces difficult passage

From Nicholas Hirst, Washington, Feb 7

Early Congressional reaction to President Reagan's budget proposal from both Republicans and Democrats was dismay at the size of the projected 1983 deficit coupled with fears that it could well go higher.

Democrats were predictably scathing about a budget which raised defense spending while cutting social programmes, but the key comment may well have come yesterday from a Republican Senator, Robert Dole, chairman of the Senate finance committee. "The Republicans I have talked with are frightened about the size of the deficit," he said.

He believed what the President had proposed was "a credible budget" but it needed "a lot of work". That means that even in the Senate, where there is a Republican majority, the President has a fight on his hands.

The Republican whip, Senator Ted Stevens of Alaska, described himself as "sort of in a state of shock" on learning that the deficit would be as high as

\$91,500m. But the real worry is that it is likely to be far higher, because that figure relies on Congress approving all of the cuts the President had asked for and that is very unlikely indeed. The cuts in the social programme are bound to run into heavy opposition in the Democrat-controlled House of Representatives.

Representative James Jones, a Democrat from Oklahoma and chairman of the budget committee, said the deficit was too large and added: "Unless we get the deficits under control we will have high interest rates and that will frustrate recovery."

Congress is likely to attack strongly the 18 per cent rise in defence spending which is equal to more than a third of the budget deficit.

Senator William Armstrong, a conservative Republican from Colorado, put his finger on the general feeling as he said: "When hawks like me are talking about cutting military spending you know something is in the wind."

custom, although business at John Lewis's Oxford Street branch is up on last year.

One of the worst-affected industrial firms has been British Rail's own subsidiary Freightliner, which expects to be doing only 35 per cent of its normal business this week.

Freightliner, which takes container traffic by road and rail mostly, between Britain and Europe, lost over £2m in revenue in the first four weeks of the dispute.

Mr Malcolm Filself, deputy managing director, reckons the Tuesday and Thursday disruption will lose the firm a further £1m a week. It is serious, he says, but remains confident that major customers will not be permanently put off.

The Coal Board, which transports 70 per cent of its coal by rail, says it has lost at least £3m by being unable to move 2.1 million tonnes — the equivalent of a week's rail movement. It costs more than £1 a tonne to stockpile coal.

British Steel reported little disruption except at Lackenby, Teesside, where production has been cut 40 per cent because of a combination of the rail strikes, a strike at the export terminal and lack of stockyard space.

Firms such as ICI and Ford, which transport a quarter or more of their goods by rail, said they were using other methods and were not inconvenienced.

Road haulage firms, which might be expected to benefit from rail disruption, complained that the sporadic nature of the train-drivers' action had created almost as many administrative problems as it had produced new custom.



RENT REVIEWS

# Calculated approach to long leases

Critics may well argue that the Council's £17m sale of its interest in the Brent Cross shopping centre was politically inspired, but it does at least free the council from the intense wrangling over rent reviews now taking place there.

The whole question of rent reviews is a grey area in legal terms with relatively little case law and the inescapable fact that virtually every commercial lease ever signed has some quirk or loophole which can be exploited in negotiations.

Arbitration, such as has been required at Brent Cross, has become almost the norm, particularly in cases where the lease has reviews only at seven, 14 or even 21-yearly intervals instead of the standard five.

What has to be argued in such cases is the price the tenant should be paying for the benefit of such a long review pattern or, in other words, how much higher should the rent be than for an identical building on which there are reviews every five years.

This may sound simply like coming up with a suitable mathematical formula but as Mr Anthony Lorenz, senior partner of London estate agents Baker Lorenz, points out, there are a number of key variables to be considered.

In the first place the loading for a long-dated review has to be based on growth in the particular locality. The tenant of a West



Brent Cross: intense wrangling over rent reviews

End office building, where rental growth has averaged 10 per cent per annum is in a very different position than, say, the tenant of a similar building in Wandsworth High Street, where there has been no appreciable rental growth over the past seven years.

A second and perhaps less obvious point to consider is the size of the building. The tenant who occupies a 1,000 sq ft suite of offices held on a lease with 21-yearly reviews, for instance, may well be prepared to pay £13,000 per annum instead of a market value of £10,000 per annum for the benefit offered by his review pattern.

Indexation of rents has become common in Europe and there have been a few

attempts to introduce it in the United Kingdom. But the British property market is more institutionally oriented and stable than almost anywhere else in the world and indexation would create artificial rent levels when supply and demand is the only factor which really governs rent levels.

In the absence of any legislation, or reliable precedents governing reviews, Mr Lorenz has devised his own method of calculating what the loading should be on a long review pattern lease, and applies this on the 500 or so cases he deals with each year.

Take, for example, a 21-year review. Firstly, calculate the compound

annual growth per annum of the type of property in rental terms, and also estimates its market rental value, assuming a conventional five-year pattern.

Based on this compounded growth rate, he then estimates the market rental value of the property in five years' time and capitalizes the premium value which the tenant will enjoy on an unexpired 16-year term to the 21st year.

Then he discounts the capital value back to today's capital figure and re-capitalizes this discounted capital value. He repeats the process for the 10th, 15th and 20th years to arrive at a rental figure which reflects the loading.

Gareth David

BRITISH TELECOM

## Why Buzby is wooing the businessman

The reduction of transatlantic telephone charges last week by British Telecom is expected to benefit the businessman immediately and bring his costs more into line with the residential user.

Telephone calls to North America were cut by 33 per cent from February 1 and in May there is to be a reduction in some inland trunk rates. Telephone calls at standard rate beyond 56 kilometres will cost up to 20 per cent less and those made in Britain's 100 busiest trunk routes will be 33 per cent cheaper.

The business user has long subsidized the residential user. British Telecom has about 15 million residential subscribers but its 4 million business users generate

about 60 per cent of the corporation's revenue.

Apart from the desire by British Telecom to bring business rates into line with the domestic consumer, the corporation is ensuring that its rates are commercial, since private telecommunications network operators in the UK could soon open.

How soon in the future that will be no one seems quite sure but British Telecom is losing no time in giving its service a commercial edge before any potential competition even gets off the ground.

A consortium of Cable & Wireless, BP and Barclays Merchant Bank was formed last year and applied to the Department of Industry for a licence to operate a private telecommunications network.

The network, to be called Mercury, would consist of about 1300 kilometres of fibre optic cable laid at a cost of £50m as the first phase of a telecommunications system. The conditions of operation of the licence are still the subject of negotiation and have been for several months.

British Telecom has lost no time in seeing the need to improve its performance. Its new chairman, Sir George Jefferson, schooled in the highly competitive world of aerospace, did not take long to tell his staff that efficiency must be improved and so must productivity.

Plans for a new business service in London were disclosed and the corporation was at pains to let business users know that it would

have a network of high capacity fibre optic cable operating in the UK long before any rival. Last month British Telecom announced a link with Satellite Business Systems of America, the operator of a business satellite over the United States. The deal between the two companies would give British subsidiaries access to high speed satellite circuits.

However, it is unlikely that the business user will be content with the February reductions which still meant an increase in his quarterly charges last November of about £14.50 or 7 per cent despite the corporation's admitted inefficiencies.

Bill Johnstone

GAS

## Pressures mount in face of shortage

The European gas market, for long the subject of little interest to anyone other than those professionally involved, is rapidly proving to be one of the most important and politically sensitive issues in the international arena.

Last week's gas deal between France and Algeria, coming hard on the heels of the dramatic furor over the planned Russian gas pipeline into western Europe, has underlined yet again that gas supplies — and gas prices — are now matters that exercise the very highest levels of government on both sides of the Atlantic.

The heart of the matter is that western Europe as a whole, and France, West Germany and Italy in particular, can foresee serious shortages of gas supplies by the end of the 1990s. To guarantee supplies to meet the shortfall expected from 1995 onwards, they have to act now, given the long times involved and the nature of international gas contracts, which are usually fixed for at least 20 years, and sometimes longer.

At present natural gas accounts for about 18 per cent of EEC energy requirements. Demand is running at about 200,000 million cubic metres, and is expected to grow to between 300,000 million and 340,000 million cubic metres by 1990.

The problem for France, Germany and Italy is that European countries which could increase their production to meet their needs, notably Britain and Norway, have taken policy decisions not to do so for a mixture of economic and security of supply reasons.

The need for France, expected to be 90 per cent dependent on exports in 1990, and Germany to sign new contracts is therefore imperative. Hence their hurry to sign up deals with the Soviet Union despite opposition from President Reagan and Algeria.

The price issue is more complex. Members of the Organisation of Petroleum Exporting Countries such as Algeria have long pressed (without success) to have gas contracts linked to the world crude oil price.

The French/Algerian deal, based on an estimated price of about \$5.10 per million BTUs, is about \$1.50 below the current oil price. It is slightly above the \$4.50 which Germany and France are thought to have agreed with the Soviet Union.

But the two governments are prepared to pay premium for their supplies. Gas prices have probably now peaked.

Jonathan Davis

COMMODITIES

## Coffee price steadily improving

Just for a few blissful moments in the long and acrimonious history of commodity agreements, one seems to be working. Coffee prices are continuing to go better — but only gently.

This steady improvement obviously suits the producers, while prices are still low enough by past standards to encourage consumption.

Not that anyone in the coffee business is feeling complacent. Battle lines are now being drawn up for the next set of International Coffee Organization talks next month. Inevitably some of the producers will want to alter the fine tuning on the quota arrangements agreed last September to try to engineer local improvements in their prices.

For the time being a reasonably comfortable balance between supply and demand has obviously been reached.

The International Coffee Organization's policing system on quotas is well disciplined (there is currently little temptation to cheat — unlike the conditions of 1977 when prices rose over £4,000, or four times today's prices).

So with high interest rates keeping dealer and industry stocks low, prices are sensitive to any short term hold-up in supplies.

Among the items that will probably be brought up at the March talks is smaller steps between trigger prices. The question of altering groupings of origins, so that quotas can be applied by type, will also be raised again.

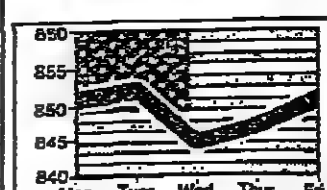
At the sharp end of the business the consumer coffee market is still weak. Manufacturers are still having to work hard at the root of the whole of the soft commodity markets' problems. That is to persuade housewives to buy more.

United Kingdom manufacturers spent £12m last year on television advertising of brand changes. They boosted the market by 6 per cent. The latest product to be pushed is decaffeinated coffee, and perhaps the advertising boost this month will take some market share from tea, where the price is rising more sharply.

Sally White

MARKETS ROUND-UP

## Nervous watch on money supply



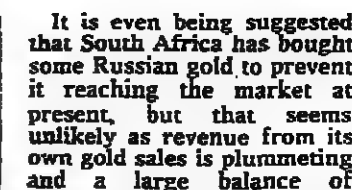
It is even being suggested that South Africa has bought some Russian gold to prevent it reaching the market at present, but that seems unlikely as revenue from its own gold sales is plummeting and a large balance of payments deficit is looming.

It was announced in Parliament last week that standby credit facilities of Rand 223m have been arranged with the International Monetary Fund.

Nevertheless, the talk of a pact of some sort persists and it is pointed out that such an arrangement already exists over diamond sales. It is thought that it might even be expanded to include platinum, chromite and other metals.

With gold again expected to dominate the market, there is concern that Wit Nigel's announcement that it is ceasing operations might be followed by other marginals. It is a clear indication that the lower gold price is biting hard, but market sources point out also that Wit Nigel is an independent operation.

Edgars Stores, the country's biggest clothing chain, is also due to report after a hectic battle last week when South African Breweries launched a Rand 66.5m raid for control but was blocked by London-quoted Liberty Life.



Investors are keeping a sharp eye on the money supply because they fear that if it is too high, the Federal Reserve Bank will tighten credit and cause interest rates to rise.

So the money supply figures released on Friday once again disappointed Wall Street.

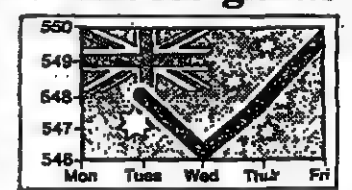
The supply for the latest reporting week fell \$1,400m (5.2m) instead of the \$3,000m to \$5,000m decline that had been predicted. That figure did reflect seasonal adjustments, and would without those revisions have shown a fall of \$3,200m, according to the Fed.

The rate of growth in the money supply over the most recent four weeks amounted to 14.3 per cent compared to the same period a year ago, a far cry from the 4 per cent to 5 per cent growth that had been hoped for last week.

The Dow stood at 851.03 after small gains on Friday. Stock prices overall showed greater gains with 1,040 shares rising compared with 420 that declined.

JOHANNESBURG

## Week for giants



All attention will be on the iron and steel giants Broken Hill Proprietary the only one to produce an encouraging earnings report.

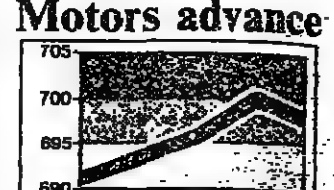
BHP, which is Australia's biggest company, will announce its net profit for the six months to the end of November, which will give an indication of whether it expects the huge profits to continue with appropriate response on the Stock Exchange.

change. The company had a record A\$486m (£285m) net profit in 1980-81. Last September, Sir James McNeil, the chairman, said that figure was unlikely to be exceeded this year. BHP earned A\$225m in the first half of 1980-81.

Two of the other big mining companies, Western Mining Corporation and Bougainville Copper, will also produce earnings reports this week but their results are almost certain to be down considerably as a result of weak world metal prices. Bougainville is unlikely to achieve anything like the A\$94.4m it earned in 1980.

FRANKFURT

## Motors advance

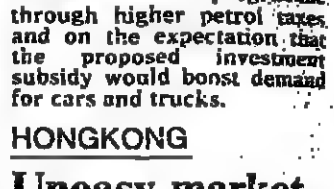


Selective buying by foreign investors has had a greater impact on German stock markets than the Bonn government's latest package of measures to revive the economy.

The Commerzbank Index continued its undramatic rise last week, breaking through the 700 barrier on Thursday before closing at 698.1 on Friday. Motors were one of the few sectors to benefit directly from the government's efforts. They advanced strongly when it became clear that Bonn would not be financing its economic programme through higher petrol taxes, and on the expectation that the proposed investment subsidy would boost demand for cars and trucks.

SYDNEY

## Week for giants



All attention will be on the iron and steel giants Broken Hill Proprietary the only one to produce an encouraging earnings report.

BHP, which is Australia's biggest company, will announce its net profit for the six months to the end of November, which will give an indication of whether it expects the huge profits to continue with appropriate response on the Stock Exchange.

HONGKONG

## Uneasy market

With the lack of any positive local news a nervous market followed Wall Street's lead by shedding 52 points during the week.

The Hang Seng index closed at 1,355.70, while average daily turnover was HK\$142.2m (£12.9m), an 18-month low. Institutions remained on the sidelines.

CAPITAL MARKETS

## Living with cruel February

In the mythology of the Eurobond market, February is the cruellest month. The best thing about February is that it only has 28 days, said one bond dealer. But will this month really be so grim?

The evidence for supposing that bond traders this month will be buying less champagne than usual is in two categories: that only about \$600m has been raised from the nominal \$1,600m of zero coupon bonds issued last month.

Dealers point out that straight dollar Eurobonds are still selling reasonably well in Switzerland, buoyed by expectations that higher American interest rates will support the dollar.

Since few people are forecasting a weaker dollar, and some, on the contrary, suggest it could move up to levels prevailing last summer, this seems a reasonable and reassuring assumption.

The market has also been encouraged by a steady secondary market in zero coupon bonds. J. C. Penny's \$300m issue, due 1994, and the two offerings from General Electric, have been particularly favoured by investors.

Bond markets are finely judged at the best of times, and the reputation and therefore future business of a house largely depends on matching offer terms and timing to the market.

So we come to the second and more substantial argument: the immediate market outlook is even harder to read than normal.

When American banks raised their prime rates a week ago dealers' groans could be heard all the way from Moorgate. Is one to assume that hopes of falling rates have been dashed? Even if we are about to see rates over 20 per cent again, as some gloomy pundits maintain, has the market the ingenuity to conjure up newly attractive instruments?

One theory is that another rise in interest rates has

already been adequately discounted. Yields of 17 per cent on well-rated bonds should offer a fair measure of protection, and floating rate notes, one of last year's successes, are paying almost as much. Moreover, zero coupon bonds are intended as a defence against precisely this eventuality, although it is interesting that only about \$600m has been raised from the nominal \$1,600m of zero coupon bonds issued last month.

Dealers point out that straight dollar Eurobonds are still selling reasonably well in Switzerland, buoyed by expectations that higher American interest rates will support the dollar.

Since few people are forecasting a weaker dollar, and some, on the contrary, suggest it could move up to levels prevailing last summer, this seems a reasonable and reassuring assumption.

The market has also been encouraged by a steady secondary market in zero coupon bonds. J. C. Penny's \$300m issue, due 1994, and the two offerings from General Electric, have been particularly favoured by investors.

Bond markets are finely judged at the best of times, and the reputation and therefore future business of a house largely depends on matching offer terms and timing to the market.

So we come to the second and more substantial argument: the immediate market outlook is even harder to read than normal.

When American banks raised their prime rates a week ago dealers' groans could be heard all the way from Moorgate. Is one to assume that hopes of falling rates have been dashed? Even if we are about to see rates over 20 per cent again, as some gloomy pundits maintain, has the market the ingenuity to conjure up newly attractive instruments?

One theory is that another rise in interest rates has

vestors. Nevertheless, the efforts by the Japanese authorities to discourage their bond holders from selling too many zero coupon bonds issued abroad have given cause for thought.

Another issue which appears to be going well is the \$250m of floating rate notes offered by the mighty Societe Generale of France. But it is pointed out that the issue, made in the middle of last week, was aimed at institutions. A high minimum purchase deters private investors and a 0.375 per cent fee is payable if the paper is held to maturity.

These discreet facts indicate a relatively healthy market. One does not have to delve into the more esoteric possibilities held out by Australian corporate bonds to accept that the Eurobond market is not resilient. It is true that February is unlikely to be the year's most lively trading period. But at the same time it does not look as bad as market mythology might lead one to suppose.

Michael Prest

### Eurobond prices (yields and premiums)

| STRAIGHT DEBT       |       |       |                     |          |
|---------------------|-------|-------|---------------------|----------|
|                     | Price | YIM   |                     |          |
| Australia 90/1992   | 98    | 14.79 | Banker's 4 1/2 1991 | 68 11.21 |
| Australia 92/1993   | 98    | 14.79 | Banker's 4 1/2 1992 | 68 11.21 |
| New Zealand 90/1993 | 98    | 14.79 | Banker's 4 1/2 1993 | 68 11.21 |
| Sweden 90/1993      | 98    | 14.79 | Banker's 4 1/2 1994 | 68 11.21 |
| Sweden 92/1993      | 98    | 14.79 | Banker's 4 1/2 1995 | 68 11.21 |
| Sweden 94/1993      | 98    | 14.79 | Banker's 4 1/2 1996 | 68 11.21 |
| Sweden 96/1993      | 98    | 14.79 | Banker's 4 1/2 1997 | 68 11.21 |
| Sweden 98/1993      | 98    | 14.79 | Banker's 4 1/2 1998 | 68 11.21 |
| Sweden 100/1993     | 98    | 14.79 | Banker's 4 1/2 1999 | 68 11.21 |
| Sweden 102/1993     | 98    | 14.79 | Banker's 4 1/2 2000 | 68 11.21 |
| Sweden 104/1993     | 98    | 14.79 | Banker's 4 1/2 2001 | 68 11.21 |
| Sweden 106/1993     | 98    | 14.79 | Banker's 4 1/2 2002 | 68 11.21 |
| Sweden 108/1993     | 98    | 14.79 | Banker's 4 1/2 2003 | 68 11.21 |
| Sweden 110/1993     | 98    | 14.79 | Banker's 4 1/2 2004 | 68 11.21 |
| Sweden 112/1993     | 98    | 14.79 | Banker's 4 1/2 2005 | 68 11.21 |
| Sweden 114/1993     | 98    | 14.79 | Banker's 4 1/2 2006 | 68 11.21 |
| Sweden 116/1993     | 98    | 14.79 | Banker's 4 1/2 2007 | 68 11.21 |
| Sweden 118/1993     | 98    | 14.79 | Banker's 4 1/2 2008 | 68 11.21 |
| Sweden 120/1993     | 98    | 14.79 | Banker's 4 1/2 2009 | 68 11.21 |
| Sweden 122/1993     | 98    | 14.79 | Banker's 4 1/2 2010 | 68 11.21 |
| Sweden 124/1993     | 98    | 14.79 | Banker's 4 1/2 2011 | 68 11.21 |
| Sweden 126/1993     | 98    | 14.79 | Banker's 4 1/2 2012 | 68 11.21 |
| Sweden 128/1993     | 98    | 14.79 | Banker's 4 1/2 2013 | 68 11.21 |
| Sweden 130/1993     | 98    | 14.79 | Banker's 4 1/2 2014 | 68 11.21 |
| Sweden 132/1993     | 98    | 14.79 | Banker's 4 1/2 2015 | 68 11.21 |
| Sweden 134/1993     | 98    | 14.79 | Banker's 4 1/2 2016 | 68 11.21 |
| Sweden 136/1993     | 98    | 14.79 | Banker's 4 1/2 2017 | 68 11.21 |
| Sweden 138/1993     | 98    | 14.79 | Banker's 4 1/2 2018 | 68 11.21 |
| Sweden 140/1993     | 98    | 14.79 | Banker's 4 1/2 2019 | 68 11.21 |
| Sweden 142/1993     | 98    | 14.79 | Banker's 4 1/2 2020 | 68 11.21 |
| Sweden 144/1993     | 98    | 14.79 | Banker's 4 1/2 2021 | 68 11.21 |
| Sweden 146/1993     | 98    | 14.79 | Banker's 4 1/2 2022 | 68 11.21 |
| Sweden 148/1993     | 98    | 14.79 | Banker's 4 1/2 2023 | 68 11.21 |
| Sweden 150/1993     | 98    | 14.79 | Banker's 4 1/2 2024 | 68 11.21 |
| Sweden 152/1993     | 98    | 14.79 | Banker's 4 1/2 2025 | 68 11.21 |
| Sweden 154/1993     | 98    | 14.79 | Banker's 4 1/2 2026 | 68 11.21 |
| Sweden 156/1993     | 98    | 14.79 | Banker's 4 1/2 2027 | 68 11.21 |
| Sweden 158/1993     | 98    | 14.79 | Banker's 4 1/2 2028 | 68 11.21 |
| Sweden 160/1993     | 98    | 14.79 | Banker's 4 1/2 2029 | 68 11.21 |
| Sweden 162/1993     | 98    | 14.79 | Banker's 4 1/2 2030 | 68 11.21 |
| Sweden 164/1993     | 98    | 14.79 | Banker's 4 1/2 2031 | 68 11.21 |
| Sweden 166/1993     | 98    | 14.79 | Banker's 4 1/2 2032 | 68 11.21 |
| Sweden 168/1993     | 98    | 14.79 | Banker's 4 1/2 2033 | 68 11.21 |
| Sweden 170/1993     | 98    | 14.79 | Banker's 4 1/2 2034 | 68 11.21 |
| Sweden 172/1993     | 98    | 14.79 | Banker's 4 1/2 2035 | 68 11.21 |
| Sweden 174/1993     | 98    | 14.79 | Banker's 4 1/2 2036 | 68 11.21 |
| Sweden 176/1993     | 98    | 14.79 | Banker's 4 1/2 2037 | 68 11.21 |
| Sweden 178/1993     | 98    | 14.79 | Banker's 4 1/2 2038 | 68 11.21 |
| Sweden 180/1993     | 98    | 14.79 | Banker's 4 1/2 2039 | 68 11.21 |
| Sweden 182/1993     | 98    | 14.79 | Banker's 4 1/2 2040 | 68 11.21 |
| Sweden 184/1993     | 98    | 14.79 | Banker's 4 1/2 2041 | 68 11.21 |
| Sweden 186/1993     | 98    | 14.79 | Banker's 4 1/2 2042 | 68 11.21 |
| Sweden 188/1993     | 98    | 14.79 | Banker's 4 1/2 2043 | 68 11.21 |
| Sweden 190/1993     | 98    | 14.79 | Banker's 4 1/2 2044 | 68 11.21 |
| Sweden 192/1993     | 98    | 14.79 | Banker's 4 1/2 2045 | 68 11.21 |
| Sweden 194/1993     | 98    | 14.79 | Banker's 4 1/2 2046 | 68 11.21 |
| Sweden 196/1993     | 98    | 14.79 | Banker's 4 1/2 2047 | 68 11.21 |
| Sweden 198/1993     | 98    | 14.79 | Banker's 4 1/2 2048 | 68 11.21 |
| Sweden 200/1993     | 98    | 14.79 | Banker's 4 1/2 2049 | 68 11.21 |
| Sweden 202/1993     | 98    | 14.79 | Banker's 4 1/2 2050 | 68 11.21 |
| Sweden 204/1993     | 98    | 14.79 | Banker's 4 1/2 2051 | 68 11.21 |
| Sweden 206/1993     | 98    | 14.79 | Banker's 4 1/2 2052 | 68 11.21 |
| Sweden 208/1993     | 98    | 14.79 | Banker's 4 1/2 2053 | 68 11.21 |
| Sweden 210/1993     | 98    | 14.79 | Banker's 4 1/2 2054 | 68 11.21 |
| Sweden 212/1993     | 98    | 14.79 | Banker's 4 1/2 2055 | 68 11.21 |
| Sweden 214/1993     | 98    | 14.79 | Banker's 4 1/2 2056 | 68 11.21 |
| Sweden 216/1993     | 98    | 14.79 | Banker's 4 1/2 2057 | 68 11.21 |
| Sweden 218/1993     | 98    | 14.79 | Banker's 4 1/2 2058 | 68 11.21 |
| Sweden 220/1993     | 98    | 14.79 | Banker's 4 1/2 2059 | 68 11.21 |
| Sweden 222/1993     | 98    | 14.79 | Banker's 4 1/2 2060 | 68 11.21 |
| Sweden 224/1993     | 98    | 14.79 | Banker's 4 1/2 2061 | 68 11.21 |
| Sweden 226/1993     | 98    | 14.79 | Banker's 4 1/2 2062 | 68 11.21 |
| Sweden 228/1993     | 98    | 14.79 | Banker's 4 1/2 2063 | 68 11.21 |
| Sweden 230/1993     | 98    | 14.79 | Banker's 4 1/2 2064 | 68 11.21 |
| Sweden 232/1993     | 98    | 14.79 | Banker's 4 1/2 2065 | 68 11.21 |
| Sweden 234/1993     | 98    | 14.79 | Banker's 4 1/2 2066 | 68 11.21 |
| Sweden 236/1993     | 98    | 14.79 | Banker's 4 1/2 2067 | 68 11.21 |
| Sweden 238/1993     | 98    | 14.79 | Banker's 4 1/2 2068 | 68 11.21 |
| Sweden 240/1993     | 98    | 14.79 | Banker's 4 1/2 2069 | 68 11.21 |
| Sweden 242/1993     | 98    | 14.79 | Banker's 4 1/2 2070 | 68 11.21 |
| Sweden 244/1993     | 98    | 14.79 | Banker's 4 1/2 2071 | 68 11.21 |
| Sweden 246/1993     | 98    | 14.79 | Banker's 4 1/2 2072 | 68 11.21 |
| Sweden 248/1993     | 98    | 14.79 | Banker's 4 1/2 2073 | 68 11.21 |
| Sweden 250/1993     | 98    | 14.79 | Banker's 4 1/2 2074 | 68 11.21 |
| Sweden 252/1993     | 98    | 14.79 | Banker's 4 1/2 2075 | 68 11.21 |
| Sweden 254/1993     | 98    | 14.79 | Banker's 4 1/2 2076 | 68 11.21 |
| Sweden 256/1993     | 98    | 14.79 | Banker's 4 1/2 2077 | 68 11.21 |
| Sweden 258/1993     | 98    | 14.79 | Banker's 4 1/2 2078 | 68 11.21 |
| Sweden 260/1993     | 98    | 14.79 | Banker's 4 1/2 2079 | 68 11.21 |
| Sweden 262/1993     | 98    | 14.79 | Banker's 4 1/2 2080 | 68 11.21 |
| Sweden 264/1993     | 98    | 14.79 | Banker's 4 1/2 2081 | 68 11.21 |
| Sweden 266/1993     | 98    | 14.79 | Banker's 4 1/2 2082 | 68 11.21 |
| Sweden 268/1993     | 98    | 14.79 | Banker's 4 1/2 2083 | 68 11.21 |
| Sweden 270/1993     | 98    | 14.79 | Banker's 4 1/2 2084 | 68 11.21 |
| Sweden 272/1993     | 98    | 14.79 | Banker's 4 1/2 2085 | 68 11.21 |
| Sweden 274/1993     | 98    | 14.79 | Banker's 4 1/2 2086 | 68 11.21 |
| Sweden 276/1993     | 98    | 14.79 | Banker's 4 1/2 2087 | 68 11.21 |
| Sweden 278/1993     | 98    | 14.79 | Banker's 4 1/2 2088 | 68 11.21 |
| Sweden 280/1993     | 98    | 14.79 | Banker's 4 1/2 2089 | 68 11.21 |
| Sweden 282/1993     | 98    | 14.79 | Banker's 4 1/2 2090 | 68 11.21 |
| Sweden 284/1993     | 98    | 14.79 | Banker's 4 1/2 2091 | 68 11.21 |
| Sweden 286/1993     | 98    | 14.79 | Banker's 4 1/2 2092 | 68 11.21 |
| Sweden 288/1993     | 98    | 14.79 | Banker's 4 1/2 2093 | 68 11.21 |
| Sweden 290/1993     | 98    | 14.79 | Banker's 4 1/2 2094 | 68 11.21 |
| Sweden 292/1993     | 98    | 14.79 | Banker's 4 1/2 2095 | 68 11.21 |
| Sweden 294/1993     | 98    | 14.79 | Banker's 4 1/2 2096 | 68 11.21 |
| Sweden 296/1993     | 98    | 14.79 | Banker's 4 1/2 2097 | 68 11.21 |
| Sweden 298/1993     | 98    | 14.79 | Banker's 4 1/2 2098 | 68 11.21 |
| Sweden 300/1993     | 98    | 14.79 | Banker's 4 1/2 2099 | 68 11.21 |
| Sweden 302/1993     | 98    | 14.79 | Banker's 4 1/2 2100 | 68 11.21 |
| Sweden 304/1993     | 98    | 14.79 | Banker's 4 1/2 2101 | 68 11.21 |
| Sweden 306/1993     | 98    | 14.79 | Banker's 4 1/2 2102 | 68 11.21 |
| Sweden 308/1993     | 98    | 14.79 | Banker's 4 1/2 2103 | 68 11.21 |
| Sweden 310/1993     | 98    | 14.79 | Banker's 4 1/2 2104 | 68 11.21 |
| Sweden 312/1993     | 98    | 14.79 | Banker's 4 1/2 2105 | 68 11.21 |
| Sweden 314/1993     | 98    | 14.79 | Banker's 4 1/2 2106 | 68 11.21 |
| Sweden 316/1993     | 98    | 14.79 | Banker's 4 1/2 2107 | 68 11.21 |
| Sweden 318/1993     | 98    | 14.79 | Banker's 4 1/2 2108 | 68 11.21 |
| Sweden 320/1993     | 98    | 14.79 | Banker's 4 1/2 2109 | 68 11.21 |
| Sweden 322/1993     | 98    | 14.79 | Banker's 4 1/2 2110 | 68 11.21 |
| Sweden 324/1993     | 98    | 14.79 | Banker's 4 1/2 2111 | 68 11.21 |
| Sweden 326/1993     | 98    | 14.79 | Banker's 4 1/2 2112 | 68 11.21 |
| Sweden 328/1993     | 98    | 14.79 | Banker's 4 1/2 2113 | 68 11.21 |
| Sweden 330/1993     | 98    | 14.79 | Banker's 4 1/2 2114 | 68 11.21 |
| Sweden 332/1993     | 98    | 14.79 | Banker's 4 1/2 2115 | 68 11.21 |
| Sweden 334/1993     | 98    | 14.79 | Banker's 4 1/2 2116 | 68 11.21 |
| Sweden 336/1993     | 98    | 14.79 | Banker's 4 1/2 2117 | 68 11.21 |
| Sweden 338/1993     | 98    | 14.79 | Banker's 4 1/2 2118 | 68 11.21 |
| Sweden 340/1993     | 98    | 14.79 | Banker's 4 1/2 2119 | 68 11.21 |
| Sweden 342/1993     | 98    | 14.79 | Banker's 4 1/2 2120 | 68 11.21 |
| Sweden 344/1993     | 98    | 14.79 | Banker's 4 1/2 2121 | 68 11.21 |
| Sweden 346/1993     | 98    | 14.79 | Banker's 4 1/2 2122 | 68 11.21 |
| Sweden 348/1993     | 98    | 14.79 | Banker's 4 1/2 2123 | 68 11.21 |
| Sweden 350/1993     | 98    | 14.79 | Banker's 4 1/2 2124 | 68 11.21 |
| Sweden 352/1993     | 98    | 14.79 | Banker's 4 1/2 2125 | 68 11.21 |
| Sweden 354/1993     | 98    | 14.79 | Banker's 4 1/2 2126 | 68 11.21 |
| Sweden 356/1993     | 98    | 14.79 | Banker's 4 1/2 2127 | 68 11.21 |
| Sweden 358/1993     | 98    | 14.79 | Banker's 4 1/2 2128 | 68 11.21 |
| Sweden 360/1993     | 98    | 14.79 | Banker's 4 1/2 2129 | 68 11.21 |
| Sweden 362/1993     | 98    | 14.79 | Banker's 4 1/2 2130 | 68 11.21 |
| Sweden 364/1993     | 98    | 14.79 | Banker's 4 1/2 2131 | 68 11.21 |
| Sweden 366/1993     | 98    | 14.79 | Banker's 4 1/2 2132 | 68 11.21 |
| Sweden 368/1993     | 98    | 14.79 | Banker's 4 1/2 2133 | 68 11.21 |
| Sweden 370/1993     | 98    | 14.79 | Banker's 4 1/2 2134 | 68 11.21 |
| Sweden 372/1993     | 98    | 14.79 | Banker's 4 1/2 2135 | 68 11.21 |
| Sweden 374/1993     | 98    | 14.79 | Banker's 4 1/2 2136 | 68 11.21 |
| Sweden 376/1993     | 98    | 14.79 | Banker's 4 1/2 2137 | 68 11.21 |
| Sweden 378/1993     | 98    | 14.79 | Banker's 4 1/2 2138 | 68 11.21 |
| Sweden 380/1993     | 98    | 14.79 | Banker's 4 1/2 2139 | 68 11.21 |
| Sweden 382/1993     | 98    | 14.79 | Banker's 4 1/2 2140 | 68 11.21 |
| Sweden 384/1993     | 98    | 14.79 | Banker's 4 1/2 2141 | 68 11.21 |
| Sweden 386/1993     | 98    | 14.79 | Banker's 4 1/2 2142 | 68 11.21 |
| Sweden 388/1993     | 98    | 14.79 | Banker's 4 1/2 2143 | 68 11.21 |
| Sweden 390/1993     | 98    | 14.79 | Banker's 4 1/2 2144 | 68 11.21 |
| Sweden 392/1993     | 98    | 14.79 | Banker's 4 1/2 2145 | 68 11.21 |
| Sweden 394/1993     | 98    | 14.79 | Banker's 4 1/2 2146 | 68 11.21 |
| Sweden 396/1993     | 98    | 14.79 | Banker's 4 1/2 2147 | 68 11.21 |
| Sweden 398/1993     | 98    | 14.79 | Banker's 4 1/2 2148 | 68 11.21 |
| Sweden 400/1993     | 98    | 14.79 | Banker's 4 1/2 2149 | 68 11.21 |
| Sweden 402/1993     | 98    | 14.79 | Banker's 4 1/2 2150 | 68 11.21 |
| Sweden 404/1993     | 98    | 14.79 | Banker's 4 1/2 2151 | 68 11.21 |
| Sweden 406/1993     | 98    | 14.79 | Banker's 4 1/2 2152 | 68 11.21 |
| Sweden 408/1993     | 98    | 14.79 | Banker's 4 1/2 2153 | 68 11.21 |
| Sweden 410/1993     | 98    | 14.79 | Banker's 4 1/2 2154 | 68 11.21 |
| Sweden 412/1993     | 98    | 14.79 | Banker's 4 1/2 2155 | 68 11.21 |
| Sweden 414/1993     | 98    | 14.79 | Banker's 4 1/2 2156 | 68 11.21 |
| Sweden 416/1993     | 98    | 14.79 | Banker's 4 1/2 2157 | 68 11.21 |
| Sweden 418/1993     | 98    | 14.79 | Banker's 4 1/2 2158 | 68 11.21 |
| Sweden 420/1993     | 98    | 14.79 | Banker's 4 1/2 2159 | 68 11.21 |
| Sweden 422/1993     | 98    | 14.79 | Banker's 4 1/2 2160 | 68 11.21 |
| Sweden 424/1993     | 98    | 14.79 | Banker's 4 1/2 2161 | 68 11.21 |
| Sweden 426/1993     | 98    | 14.79 | Banker's 4 1/2 2162 | 68 11.21 |
| Sweden 428/1993     | 98    | 14.79 | Banker's 4 1/2 2163 | 68 11.21 |
| Sweden 430/1993     | 98    | 14.79 | Banker's 4 1/2 2164 | 68 11.21 |
| Sweden 432/1993     | 98    | 14.79 | Banker's 4 1/2 2165 | 68 11.21 |
| Sweden 434/1993     | 98    | 14.79 | Banker's 4 1/2 2166 | 68 11.21 |
| Sweden 436/1993     | 98    | 14.79 | Banker's 4 1/2 2167 | 68 11.21 |
| Sweden 438/1993     | 98    | 14.79 | Banker's 4 1/2 2168 | 68 11.21 |
| Sweden 440/1993     | 98    | 14.79 | Banker's 4 1/2 2169 | 68 11.21 |
| Sweden 442/1993     | 98    | 14.79 | Banker's 4 1/2 2170 | 68 11.21 |
| Sweden 444/1993     | 98    | 14.79 | Banker's 4 1/2 2171 | 68 11.21 |
| Sweden 446/1993     | 98    | 14.79 | Banker's            |          |



BUSINESS NEWS/FOCUS AND COMMENT

INTER-CITY PEOPLE

W MIDLANDS

Inventors hit a blind spot

Sutton Coldfield inventor Peter Blanchard has made the sale of his career with his Eversure Blind Spot Mirror. This device, which goes on car sun visors, is being made and marketed by Eversure Accessories, a BSR subsidiary, at Warley, Worcestershire.

Ironically, this break comes after 20 years in the game, when he is 61 and only four years away from retirement from his job as representative for a manufacturing chemist.

Blanchard, like many other private inventors, says British firms are slow to take up outside inventions. It took him six years to get a British hacker for the mirror: one year to find a Japanese.

He adds: "I've rejected inventors. 'Never give up. The only people who may have judged your product are the boss's secretary and the landlady.'"

GLOUCESTER

Home and away



Pippa Collins (left) and Hermione Zatloukal, who are putting their skills as homemakers to work with Colzak, an interior design business they have started with a shop and office in Little Faringdon.

Mrs Collins, whose husband James is a local farmer, is Colzak's seamstress and Mrs Zatloukal, wife of a barrister and director of a London investment company, is the painter. They have designed homes for the film director Richard Young (he does Minder on ITV) and the jockey Philip Blacker, and a nursery suite for the fashion shoe designer Moya Bowler.

They have access to rural craftspeople who will do specialties like hand-painted tiles or intricate carpentry, and are thinking about opening a London showroom.

BRISTOL

ECI sweeps in

There is a new name at Equity Capital for Industry, where John Gough is the South-West regional adviser.

Although Gough is the group managing director of the Hanham, Bristol, industrial and domestic brushmakers Kleenex, it's not a case of new brooms sweeping in.

The South-West post is a new one for ECI, which is funded by the institutions and finds equity finance for small to medium businesses.

Gough is a member of the CBI national council and vice-chairman of the region. His fellow advisers at ECI are Geoffrey Lavers (Leeds), Eric Sayers (Solihull) and Geoffrey Moss (Manchester).

LEICESTER

Footnotes

Robert Lucas, who helped to establish a footwear industry in the Caribbean, is reviving old shoe-making skills on his own home ground.

Lucas, 44, has won the £5,500 Leicester Small Business Award sponsored by the city's estates department for a project on the manufacture of orthopaedic footwear.

Lucas, a former footwear factory manager in Barwell and later a lecturer on footwear making at Hinckley, helped to set up a footwear industry on the island of St Kitts while working for the United Nations Industrial Development Organization.

While planning his scheme he went back to school, doing an MSC business course at Durham University's Business School.

Now, with his wife Wendy, he will run his own business from Hinckley. The judges liked his scheme because it is reviving a local skill and will provide disabled people with footwear that looks good.

Ross Davies

NEW APPOINTMENTS

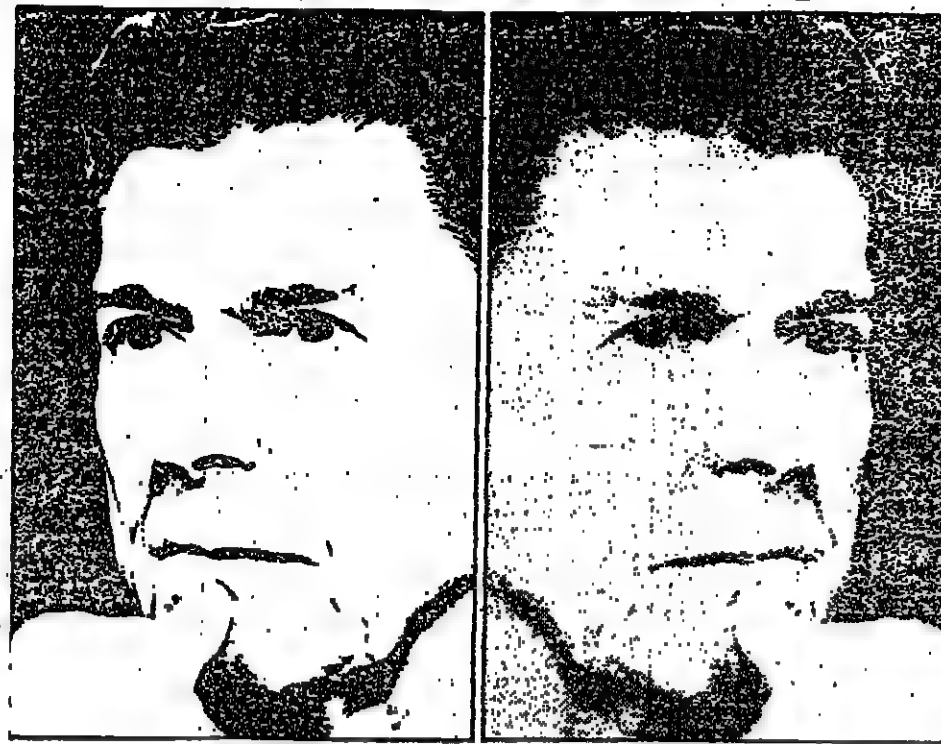
Mr Peter W. Barker will succeed Mr Joseph Palmer as chairman of J H Fenner and Co. (Holdings). He is currently, and will remain, chief executive of the company.

Mr A. N. Light has been appointed as group managing director of Laker.

Mr John H. Fleming has been appointed managing director of Vauxhall Motors, succeeding Mr Ferdinand P. J. Beickler. Mr Fleming has also been elected chairman of Vauxhall Motors in place of Mr Beickler. Mr Beickler returns to Germany as vice president of General Motors Corporation in charge of European Sourced Passenger Car Operations.

INTERNATIONAL OUTLOOK: Caroline Atkinson assesses the implications of the American budget

# Conflicts in Reagan budget may keep interest rates high



Is he trying to face two ways at the same time?

Money and credit restraint, meanwhile, will continue to bring down inflation. It is here that most forecasters part company with the President.

Even the relatively gloomy prospect for the economy which Mr Reagan outlines, is too optimistic and based on faulty arithmetic, they believe. For if the Federal Reserve continues the monetary policy which Mr Reagan has requested, and which is presumably supposed to be embodied in the latest official forecasts, then the economy simply cannot grow as quickly as he predicts.

If the Fed eases up, as many believe that it should but few believe will, then the economy might grow as rapidly as the Administration predicts. But then inflation would be unlikely to continue to fall during 1983 and 1984.

The only way to make Mr Reagan's forecast internally consistent would be to have an extraordinary increase in the velocity of money or ratio of money to total gross national product. This is implicitly what the president assumes.

But velocity increases year after year of the size necessary to reconcile the money and GNP assumptions in the budget are extremely unlikely. Moreover, velocity usually rises when interest rates are high, rather than falling, as Mr Reagan predicts.

The Administration is repeating last year's mistake in this year's budget. Although the president no longer pretends that it is possible to cut taxes, increase defence spending and balance the budget at the same time, he still assumes away the conflict between growth-oriented tax and spending policies and anti-inflation monetary policy.

The Administration is repeating last year's mistake in this year's budget. Although the president no longer pretends that it is possible to cut taxes, increase defence spending, and balance the budget at the same time, he still assumes away the conflict between growth-oriented tax and spending policies and anti-inflation monetary policy.

With monetary policy keeping a tight lid on the economy, the budget policy that Mr Reagan proposes will push up interest rates rather than growth.

The president's budget projects a steady decline in federal government borrowing from the current financial year's record \$38,000m to just more than \$50,000m in 1987, the last year of the forecast. The deficit is projected to drop by about \$10,000m in 1983-4. But declines of this size in a

growing economy would still leave the underlying high unemployment budget deficit rising, thus giving a net stimulus to the economy. A drop in unemployment of one per cent as forecast for 1983, would alone reduce the deficit by about \$25,000m. The underlying rise in the deficit comes because Mr Reagan's huge planned increases in defence spending and continued tax cuts swamp the budgetary effect of even the drastic cuts in non-defence spending which the president proposes.

The nature of these suggested spending cuts indicates another basic flaw in today's budget, a political rather than economic one. Unlike in Britain, the American legislature frequently changes the budget proposal by the Administration. Last year, Mr Reagan was extremely successful in winning congressional approval for his proposals, even unpopular ones, to cut spending programmes.

But this year, a third of the senators and all of the members of the House of Representatives, face reelection in November. Their constituents are complaining about the recession and about high interest rates. Cuts in the basic social welfare programmes, in aid to local and state governments, in job programmes and special assistance to the elderly will be fought long and hard in Congress. It is these programmes which Mr Reagan proposes cutting further.

With defence spending rising by 7 1/2 per cent a year on top of inflation, retirement pensions untouched for

political reasons, and no way of cutting the cost of servicing the national debt, remaining spending programmes have to be cut deeply to keep the budget deficit from rising.

Congress is unlikely to make such cuts in an election year. Although budget deficits are politically unpopular here, they are probably easier to fight an election on than further severe cuts in federal spending, or increases in taxes.

The Congressional Budget Office, which provides non-partisan forecasts of spending and revenues, predicted on the weekend that with no policy changes, federal borrowing will rise from last year's level of just more than 2 per cent of GNP to 5 per cent by 1984, and will stay there even if the economy recovers.

This level, while not high by British or European standards, would mark a postwar record for America. Even the deficits during the Vietnam war and the build-up in domestic spending for President Johnson's Great Society were smaller in relation to the size of the economy. The previous post-war peak for the deficit was 4 per cent of GNP in the deep recession of the mid 1970s.

It is harder to finance any given deficit here than in Britain or Europe because American private sector savings are much smaller in proportion to the size of the economy. The Administration has on occasion argued that its cuts in tax rates will lead to such a big increase in savings that larger deficits will be compatible with both lower interest rates and a fast increase in investment.

The Treasury Secretary has recently repeated this. But when challenged last year to provide evidence that present tax policies would lead to such a change in savings behaviour, the Treasury climbed down from its claim it still does have a model of the economy to explain such a prediction.

Other Administration officials have said privately that they are unhappy with the appearance of this argument to justify the continuing large deficits shown in today's budget.

Rather than a big increase in investment, the budget proposals in combination with tight money policy are likely to lead to higher interest rates and less investment. Of course a more restrictive budget would not boost growth either. But it would have allowed interest rates to be somewhat lower, with the same monetary policy.

It is also possible that the Federal Reserve might have agreed to raise its money targets slightly in exchange for tighter tax and spending policies. However, for as long as Mr Reagan keeps asking the Central Bank to keep money tight, it is unlikely that the Federal Reserve will dare to ease up and risk taking the blame for any subsequent rise in inflation.

If Mr Reagan really wants the economy to grow rapidly and interest rates to fall, then he will have to call for easier money and to acknowledge that this policy change may mean more inflation as well as more real growth. With today's budget he is trying to face two ways at the same time.

Business Editor

## Budget options for industry

We should, perhaps, be grateful that the Chancellor believes he has any money at all to "give away" on March 9. But if the availability of say, £1,000m - £2,000m appears to ease some of Sir Geoffrey Howe's problems, it still leaves him with the considerable problem of how to distribute the largesse.

However he chooses to set about it, he stands a good chance of disappointing more people than he pleases.

Just to add to the complications, it seems that the major consideration may not simply be how best to split the money between cuts in the income tax burden and help to industry. The advocates of a reduction in VAT, as the best way to inject new life into the disinflationary process, have also been pressing their case with increasing vigour.

Industry has, of course, been building up its own list of recommendations to the Chancellor; and that will be taken a stage further this week when the CBI publishes details of what it would like to see.

However, there is an irony here in that the corporate sector as a whole is not in the dire straits it appeared to be in 12-18 months back. Corporate profits started to move ahead again last year and many forecasters are looking for a further rise of perhaps a fifth in 1982.

The liquidity position too has improved as a result of the massive run-down in stocks of the past two years. And after last year's round of company issues, company balance sheets are almost certainly more lowly geared than they have been for a long time. (Indeed, if only interest rates would come down, one suspects there would be no shortage of companies leaping at the opportunity to gear up with some long-term fixed-rate debt.)

This, it is true, is only part of the story. For a start it is a generalization, covering the corporate sector as a whole. There remain plenty of pockets of industry, particularly manufacturing industry, where companies would say that their position was still anything but comfortable. This was all too apparent in the CBI industrial trends survey.

Also, the internationally exposed sectors of the economy are still suffering a major competitive disadvantage by historic standards. And if the pound holds up better this year than last, then they will need to make significant further improvements to their internal efficiency simply to keep pace with rapid change elsewhere.

In that sense any help the Chancellor can offer that directly cuts costs for British industry would be welcome. But there are those who would argue that this would not be the best way to set about things and that the way to ensure that managements continue to improve efficiency is by keeping the screws turned tight.

The Chancellor will have to weigh the merits of the respective arguments for himself. Certainly, the case for across-the-board help in the form of a cut in the National Insurance Surcharge, an unhealthy tax though it is, may be less than clear-cut. Apart from anything else it has the considerable disadvantage of being relatively expensive in both terms of the total amount of money the Chancellor has available, and in terms of the number of people who feel they receive any direct benefit. A 1 per cent cut in the NIS would cost about £750m in 1982-83.

The Chancellor might well feel that provided he gets the general thrust of his policy right, industry will in any case enjoy considerable benefits - overseas developments permitting - from progressively lower interest rates during the course of the year. But that does not

rule out smaller parcels of help to industry.

It is hard to see anything much being done about corporation tax. The recent Green Paper is designed to produce changes, if any, for 1983 rather than this year. There might be a case for further cuts in the rate for smaller businesses. But for larger companies it is hard to see that the Chancellor can do much, particularly in what for many companies is the more pressing area - namely unrelieved advanced corporation tax.

For that large clan of companies not paying mainstream corporation tax the Gyrils scheme or one of its variants, allowing companies to pay interest on certain borrowings net of the corporation tax rate, could have rather more attractions. But here again, many industrialists might feel that a lower structure of interest rates in general, and money spent on other schemes, would be more beneficial than the cash flow advantages this kind of arrangement offers.

More specifically, the government could remove some of the problems with rates (whether for plant and empty buildings can still be rated), introduce capital allowances on a wider range of commercial building and accelerate regional development grants, where payments are still delayed for months beyond the approval stage.

A step to make commercial building more attractive would offer some help to the construction industry, one of the hardest pressed sectors, but would not in itself be enough.

There must be a strong temptation for the Chancellor to enable the speeding up of some public sector capital projects or give some form of direct boost to house-building.

The other obvious area the Chancellor might look at would be industry's fuel costs, particularly the electricity costs to the larger users. Overall, though, some of the steam may be taken out of this general area by the downward movement in the oil price.

Whatever the Chancellor does for industry in the Budget, it is certain to be limited. Meanwhile, the debate on the possibility of more radical reform of the corporate tax system is just starting, and the debate on how to improve the corporate sector's real profitability and share of national income gets nowhere fast.

## Money markets Dollar watch

President Reagan's projection of a \$91,600m budget deficit for 1983 after one of \$98,600m this year undercuts the continuing problems facing the American Administration. But those are problems that are unlikely to be of most immediate concern to world financial markets.

The markets' short-term worry continues to be the present state of United States monetary policy. On this issue New York appeared to finish last week in a state of some confusion. The weekly money supply figures, after adjustment, seemed to go down well enough, but the minutes of the December meeting of the open markets committee suggested that the Fed is looking to slow monetary growth considerably.

That, of course, was in December and since then Fed chairman Mr Paul Volcker has suggested that the recent surge in M1 may only be temporary.

Meanwhile the London discount houses will be keeping an eagle eye on the response of foreign exchange markets and Eurodollar interest rates this morning. If the signs are favourable, then the houses, which hope for reasonably easy money market conditions in the first half of the week, may well be tempted to see if the Bank is yet ready for a further cut in bill rates.

After Laker, Kevin Page looks at other carriers' debts

## End of an era for spendthrift airlines

Rash lending by his bankers is said to be one of the main factors in the downfall of Sir Freddie Laker. Parallels with Poland and the property collapse of 1973-74 have been drawn, although due attention has been paid in the past few days to the effects of the recession on air travel and Sir Freddie's own inability to restrain himself from putting together a deal on the back of an envelope.

It is true that Laker's bankers were imprudent in lending Laker Airways over £200m, much of it at a time when intense competition for increasingly unprofitable routes was crippling the finances of even the large national flag carriers like Pan American, TWA and British Airways. It is also true that Midland, Clydesdale and Samuel Montagu should have insisted on, firstly, stricter financial controls and secondly, a proper management structure at Laker.

But Laker must be considered against the international background. In 1981, the world's major airlines suffered losses of \$2,100 million (£1,080m). This year losses could total nearly \$3,000m. The top 16 American trunk and regional airlines owed \$10,000m in long-term debt in 1981 and are expected to borrow at least \$2,000m from external sources over the next decade. This is twice as much as they required during the 1970s.

Worldwide, latest estimates are that airlines will need about \$100,000m to re-equip their fleets in the next 10 years, of which only \$35,000m or \$40,000m will be met through internally generated funds. After Laker, it will become more difficult

for airlines to receive help from international banks. National flag carriers like BA, Lufthansa, KLM and Air France will find few problems. Most are owned and subsidized by the state, so banks are happy enough to lend at the margin in the knowledge that governments can always raise tax revenues to bail out national airlines. National carriers in the lesser developed countries should not find insuperable problems.

But independent airlines will discover from now on that banks will dictate much harsher terms. One senior aviation banker in London believes banks will seek to change loan covenants to ensure that money will only be available if say the airline raises its fares. The trouble with this thesis, according to Mr Matt Bowman, head of transportation finance at Merrill Lynch, in New York, is that an airline cannot increase fares unilaterally. In other words, the banks would be happy to see the return of price fixing cartels which were blown apart by President Carter's "open skies" policy which announced de-regulation of routes and fares in 1978.

And Mr Bowman does not think much of suggestions from London bankers that banks should insist on management representation on airlines' boards. However, he does agree that despite a current situation in which five or six top United States airlines are in serious financial trouble, those companies which have a relatively strong balance sheet and flying profitable routes, will receive adequate external finance.

Mr Bowman also points out that Laker is a rare case in

that the vast majority of his funding was through banking syndicates. Banks in the United States are not volume lenders and account for only 7.7 per cent of airline financing requirements. Insurance company loans fund 23.3 per cent of total loans, with public offerings taking up a further 19.9 per cent. Share issues and retained earnings account for 38.9 per cent, while capitalized leasing arrangements on aircraft form 19.2 per cent of total requirements.

There are exceptions to the general rule that banks only lend to airlines at critical moments when other forms of lending have dried up. Over 84 per cent of Republic's total debt of \$532m is owed to the banks. Continental owes over 60 per cent of total debt to banks. In contrast, Pan Am, which has lost \$320m in the first nine months of the current financial year and has debt totalling \$1,160m, owes only \$9m to banks.

To date, bank loans to airlines have been made against airlines' assets, largely aircraft. The problem is that there is serious overcapacity at present, with demand for travel at a low point, and little prospect for improvement through 1982. More than 100 wide-bodied jets such as DC 10s are currently grounded, many of them in the Arizona desert. It is reckoned there are 30 DC 10s (out of a total fleet of 160) available on the resale market. Banks which loaned 80 per cent of the cost of say Boeing 727s, near to the end of their life two years ago, have seen the aircraft's current value drop below the cost of the loans. Bankers are extremely worried about their security margins. The

| WHAT THEY OWE   |          |
|-----------------|----------|
| British Airways | \$1,860m |
| Alitalia        | \$285m   |
| TWA             | \$872m   |
| Pan Am          | \$1,160m |
| Braniff         | \$476m   |
| Eastern         | \$658m   |
| Republic        | \$532m   |
| Laker           | \$504m   |

problem is compounded because most airlines have few other assets than planes. Pan Am is an exception and was pressured last year by its bankers to sell its Inter-Continental hotels offshore to Grand Metropolitan for \$500m.

Privately at least, many world airlines and international banks are sighing with relief at Laker's demise (pro tem?). "His bankruptcy will bring realism back to prices and will make spendthrift airlines realize that it is possible to go bust," said one senior banker yesterday. But Sir Freddie alone cannot be blamed for introducing cut-price fares which have plunged the industry into huge losses and massive debt. Deregulation in the United States meant that airlines could fly anywhere and charge whatever they thought the market could bear.

Banks worldwide have been more than happy to finance airlines over the past 10 years. The era of regulation, which meant one airline enjoyed a virtual monopoly on a given route, guaranteed revenue. After 1978 the banks believed cheap fares would make air travel one of the few growth industries as the world's young and not-so-young discovered new continents at a price they could afford.

Now bankers are predict-

ing price increases of 35 per cent on the transatlantic run, where 40 airlines lost \$600m last year. The era of cheap travel is over. The second-hand aircraft market is dead. Airlines must continue to rein back costs. Pan Am employees have already taken wage cuts. But as yet there are no signs that the banks are writing off airline debt. The switch from rash lending to get-tough policy is already underway with bankers smoothly blaming everybody and everything, from Sir Freddie's arrogance to the second energy crisis. But not themselves.

## Base Lending Rates

|                   |         |
|-------------------|---------|
| ABN Bank          | 14 1/4% |
| Barclays          | 14 1/4% |
| BCCI              | 14 1/4% |
| Consolidated Crds | 14 1/4% |
| C. Hoare & Co     | 14 1/4% |
| Lloyds Bank       | 14 1/4% |
| Midland Bank      | 14 1/4% |
| Nat Westminster   | 14%     |
| TSB               | 14 1/4% |
| Williams & Glyn's | 14 1/4% |

\* 7 day deposit on sums of £10,000 and under 13% over £10,000. 13 1/4% over £10,000. 13 1/2% over £10,000.

## M. J. H. Nightingale & Co. Limited

27/28 Lomb Lane EC3R 8EB Telephone 01-621 1212

### The Over-the-Counter Market

| Company                 | Capitlisation £000's | Ch'ge Price | Gross Divid | Yld % | P/E  | Fully Taxed |
|-------------------------|----------------------|-------------|-------------|-------|------|-------------|
| 1,204 ABH 10% CULS      | 121                  | -2          | 10.0        | 8.3   | -    | -           |
| 4,052 Alspring-Group    | 70                   | -           | 4.7         | 6.7   | 11.1 | 15.4        |
| 1,100 Armitage & Rhodes | 44                   | -1          | 4.3         | 9.6   | 3.7  | 8.3         |
| 12,464 Bardon Hill      | 204                  | -1          | 9.7         | 4.8   | 9.9  | 12.1        |
| 5,953 Deborah Services  | 77                   | -4          | 6.0         | 7.8   | 3.8  | 7.2         |
| 4,111 Frank Horell      | 129                  | -1          | 6.4         | 5.0   | 11.6 | 23.9        |
| 11,264 Frederick Parker | 78                   | -           | 1.7         | 2.2   | 33.9 | -           |
| 923 George Blair        | 50                   | -           | -           | -     | -    | -           |
| 3,899 IPC               | 96                   | +1          | 7.3         | 7.6   | 6.9  | -           |
| 2,520 Isis Conv Pref    | 105                  | -           | 15.7        | 15.0  | -    | -           |
| 2,378 Jackson Group     | 94                   | -1          | 7.0         | 7.4   | 7.0  | 6.7         |
| 15,458 James Burrough   | 112                  | -1          | 8.7         | 7.8   | 1.2  | 10.3        |
| 2,570 Robert Jenkins    | 252                  | -           | 31.3        | 12.4  | 3.5  | 8.9         |
| 2,760 Scruttons "A"     | 55                   | -           | 5.3         | 9.5   | 8.6  | 8.0         |
| 4,003 Torday & Carlisle | 164                  | -2          | 10.7        | 6.5   | 5.3  | 9.8         |
| 2,778 Twinklford Ord    | 13                   | -1/4        | -           | -     | -    | -           |
| 2,075 Twinklford ULS    | 75                   | -           | 15.0        | 19.1  | -    | -           |
| 4,120 Uniflow Holdings  | 27                   | -           | 3.0         | 11.1  | 4.8  | 8.2         |
| 9,506 Walter Alexander  | 75                   | -           | 6.4         | 8.5   | 4.9  | 8.7         |
| 5,111 W. S. Yeates      | 219                  | +1          | 13.1        | 6.0   | 4.1  | 8.4         |

Prices now available on Prestel, page 48146.























## Recruitment Opportunities

## EXECUTIVE ASSISTANT

The Chief Executive of a substantial general engineering Personal Assistant (male or female).

Applicants must be past school and Ograde with minimum 5 years experience. Some knowledge of engineering and understanding of industrial structure. London based with a remuneration level of not less than £12,000 and in relation to age and experience. Ref A.C.

International Appointments (London) Ltd.

(Rec Cons),  
Greenwich House,  
66-68 Baymarket,  
London SW1.

01-839 1602/4 and 839 2831

## SECRETARIAL

SEC/PA  
ENGLISH/GERMAN  
£7,500-£8,000

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## AUDIO SECRETARY

Circa £5,500 + LVs

Interacting and responsible job for young experienced person of a town. Immediate start.

APPLY WITH CV TO: JCP/PA, ROYAL COLLEGE, TOWNERS, 14, PRINCES GATE, HYDE PARK, SW1.

## ADVERTISING

PA/SEC

C. 50,000 + EX. PERKS  
Young, dynamic, energetic, handling Director's office. Must be able to handle a variety of tasks. Good salary and benefits. Details call 01-839 1602/4.

STALE MILLS (REC. CONS.)

## MARKETING PA

£5,500 + PERKS

International London based company. Marketing PA. Must be able to handle a variety of tasks. Good salary and benefits. Details call 01-839 1602/4.

STALE MILLS (REC. CONS.)

## GREEN PARK, Large International

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## PERSON Friday, £5,500 +

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## FLUENT Italian and/or good

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## ASSISTANT with 60 wpm typing

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## LEGAL SECRETARY - experienced

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## COMMUNITY RELATIONS

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## ITALIAN/FRENCH PA, £5,500 +

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## PERSONAL recruitment used

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## U PAW Bureau Flexibility Ltd.

For Enl. Co. require 1st class secretarial skills and experience in typing, shorthand, and office management. Some knowledge of German and French. Conditions, Ring Air Shelly on 01-839 1602/4.

C & S PERLS. CONS.

## Commercial property by Gareth David

## Record 'To Let' signs but building goes on

Industrial development and activity is continuing despite rising vacancy rates — factories and warehouse buildings standing empty with King & Co are estimated at a total of 120m sq ft.

According to the latest review of the market from south coast agents L. S. Vail, South Hampshire has the largest total of vacant industrial buildings in memory. Much of the empty property is, however, unsuited for modern industry.

In little over a year the agents report that the amount of empty industrial space available for tenants has grown by about 50 per cent although over the last 18 months the figure jumped by 250 per cent. Vail has 2,25m sq ft of new and second-hand factory and warehouse accommodation on its books while it estimates that the total vacant space in the Solent Corridor is around 3.25m sq ft.

Vail thinks this growth cannot be blamed solely on the recession. Much of the space was in the pipeline 18 months ago and the bulge followed the allocation of more industrial land in the South Hampshire Structure Plan. Even so, the agents claim, there are areas of relative shortages and high demand.

At the top end of the market investment yields remained virtually unchanged but the definition narrowed to the point where it applies only to freehold property let at full rental value on an institutional lease incorporating upward only rent review.

There is an apparent anomaly that the only sector where yields have fallen has been on prime retail property at a time when consumer spending is at a very depressed level. This reflects

the scarcity of prime high street pitches and the physical and planning restrictions which prevent the expansion of many high streets.

The weight of institutional money overhauling the property market is a major factor in its stability, the brokers say. It is a cyclical market, they point out, and while short-term prospects of rental growth are generally discouraging its longer-term growth is far more impressive.

Between mid-1977 and mid-1981 they estimate that prime shop rents rose by 17.5 per cent a year, prime offices by 14.75 per cent and prime industrial and warehousing by 12.4 per cent.

One area experiencing continuing demand for office accommodation is the City of London, particularly in the EC3 banking/insurance area, and this should push the highest rents from the present £27 per sq ft to around £30 per sq ft by the end of the year, according to estate agents Richard Ellis.

Demand has stabilized over the past 18 months at about 500,000-600,000 sq ft per quarter but this should pick up by the second half of the year with total take-up in 1982 of around 2½-2¾ sq ft.

Bankers are expected to occupy the majority of this space, the Ellis report says, with the short term weakness in the North American insurance market likely to depress demand from that sector.

The supply of new space coming onto the market is unlikely to fall below 3-3½m sq ft during the current year of which a third will be in new developments. Of the total of 1.2m sq ft of speculative development due to be completed in the City this year, 400,000 sq ft has been pre-let.

"There is an urgent need for good quality and new industrial development of greater flexibility which will meet the increasingly sophisticated requirements of high technology industry", say the agents.

Vail feels that there must be a greater move towards the science park concept of industrial development which leans towards low density and high landscaping qualities where units contain a higher proportion of office content.

Already, there are moves in this direction. Plans for the area's first science park have been laid by Windover Projects, who are proposing a 50m scheme in a 47-acre wooded site, to the west of junction 8 of the M27. The development would provide jobs for 1,500 people.

Southampton University wants to develop a 20-acre site at Chilworth Manor with as many as 14 research and development units.

Yet the agents warn against too much Ministry of Defence land finding its way to the market in the wake of the run-down of the Naval Dockyards at Portsmouth. Vail reports that although Portsmouth Island has suffered from land starvation for years, there is now an adequate supply of serviced industrial land.

A spin-off from the present glut of industrial property in the Solent area is that it has persuaded many previously intractable institutional landlords to be more flexible in their attitude to prospective tenants.

The property market in France has remained relatively stable in spite of the radical changes promised by the ruling socialist/communist coalition, according to the Paris Office of estate

agents Weatherall Green & Smith.

There is a strong institutional market so the property market is well equipped to cope with legislative changes, the agents report says. One of the first changes will be the introduction of a wealth tax which could suit predominance in the retail sector to institutions as private investors are encouraged to sell.

As a result of the elections many institutional investors withdrew from the market altogether while others dramatically reduced their commitments. Most purchases since the election have been up to Fr 10m (£100,000), often in the form of office suites rather than major development schemes.

As far as larger office investments are concerned, Weatheralls say a number of French pension funds which have in the past held only a small percentage of office buildings in their portfolio, are likely to remain prominent in the market unless steps are taken by the Government to limit their tax advantages.

The letting market for Paris offices has suffered an acute shortage of large centrally-located space, the report says, with the result that the established bracket of rents is between Fr 1,000 and Fr 1,600 sq metre per annum.

In the suburbs, particularly La Defense which is the main office area west of Paris, most new buildings are pre-let as a result of negotiations which took place in the last two years. One of the few major projects in development is the Ellysse 26 development where the rents agreed of Fr 1,500 sq metre are the highest recorded in Paris.

## BUSINESS OPPORTUNITIES

## DOES YOUR COMPANY HAVE A STORAGE/DISTRIBUTION PROBLEM?

Dynamic young company, leaders in their field, who because of changes in their marketing direction have the facility for any one of the following opportunities

8-10,000 sq. ft. of their high, warm, dry and first class space in an excellent quality building.

Large loading dock facilities, if required completely racked in heavy duty major racking.

Ample parking space available.

Additionally we have the facility to actually undertake distribution of most types of products, and can develop a complete stock control system to suit the product.

Additionally we also have the expertise to undertake some marketing and development work.

If any of the above is of interest to your company write to the Managing Director Box 1138 G, The Times.

## SOLICITORS

A VERY WELL ESTABLISHED AND SUCCESSFUL CENTRAL LONDON FIRM WITH FOURTEEN PARTNERS WISHING TO EXAMINE ITS OPTIONS OF EITHER CONTINUING ITS INDEPENDENCE OR

ACQUIRING A SMALL FIRM (1-5 PARTNERS) WITH A FLEXIBLE CLIENT BASE WITH ONE OR MORE SPECIALITIES

MERGING WITH A FIRM OF MEDIUM SIZE (5-10 PARTNERS) TO OBTAIN GREATER DEPTH AND SPREAD OF CLIENTS AND EXPERTISE IN THEIR EXISTING PRACTICE AREAS. COMMERCIAL CONVEYANCING, LITIGATION AND PRIVATE CLIENT WORK

MERGING WITH AN EXISTING LARGER FIRM (20 OR MORE PARTNERS) TO SECURE THE FUTURE OF THE PARTNERS AND THEIR CLIENTS

ALL REPLYES WILL BE TREATED IN COMPLETE CONFIDENCE BY US AND OUR CLIENTS.

Ernst & Whinney, (Ref. 107), Lynton House, 7 Tavistock Square, London WC9H 8LS

## COMPANY MEETING NOTICES

## GESTETNER HOLDINGS LIMITED

THE ANNUAL GENERAL MEETING will be held at 10.00 a.m. on 2nd March 1982 at Gestetner House, 210 Euston Road, London NW1 for the purposes of:

1 receiving and adopting the report and accounts

2 declaring the final dividends recommended in the directors' report

3 re-appointing Deloitte Haskins & Sells as auditors of the company until the conclusion of its next annual general meeting and authorising the directors to fix their remuneration

4 re-electing to the board Mr. A. E. Singer, who has retired by rotation

AND, as special business, considering and if thought fit passing the following:

as an Ordinary Resolution, special notice having been given pursuant to sections 142 and 185(3) of the Companies Act 1948:

5 THAT Mrs. H. Gestetner, O.B.E., who has attained the age of 70 years be and is hereby re-elected a director of the company

as Special Resolutions:

6 THAT the 'A' Ordinary Shares and the 'A' Ordinary Capital Shares in the capital of the company be and are hereby re-designated as 'A' Ordinary (non-voting) Shares and 'A' Ordinary (non-voting) Capital Shares respectively

7 THAT the Articles of Association of the company be and are hereby amended by the substitution in the Articles of Association of the company of the following provisions:

8 THAT the Articles of Association of the company be and are hereby amended by the substitution in the Articles of Association of the company of the following provisions:

9 THAT the directors be and are hereby generally and unconditionally authorised for the purposes of the Articles of Association of the company and of the Companies Act 1980 (referred to in this resolution as "the Act") and generally to allot relevant securities up to a maximum nominal amount equal to the Unallocated Share Capital of the company unissued at the date hereof, during the period from the date of the passing of this resolution up to and including the fifth anniversary of such date and including the fifth anniversary of such date

PROVIDED THAT such authority shall allow and enable the company to make an offer or agreement before the expiry of the authority which would or might require relevant securities to be allotted after such expiry

Holders of shares warrants to bearer who wish to attend the meeting should be represented at the meeting without warrants should deposit with the company's registrars, Barclays Bank Limited, Registration Department, Radbroke Hall, Knutsford, Cheshire WA16 9EU, not later than seventy-two hours before the meeting, the certificate of a Banker, Solicitor or Stockbroker that such warrants are held to the order of the registrars.

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote for him. A proxy need not be a member of the company. To be effective, such proxies must be received by the registrars not less than forty-eight hours before the time fixed for the meeting. Appointment of a proxy will not prevent a member from attending and voting in person.

Directors' contracts are available for inspection at the registered office until the date of the meeting and at the office of the company from 9.45 a.m. until its conclusion.

41 Fawley Road, London N17 9LT  
28th January 1982  
J. A. BARNETT  
Secretary

## LEGAL NOTICES

NO NOTICE OF INTENT TO APPLY FOR A WRIT OF HABEAS CORPUS IN THE MATTER OF THE LIBRA (MAGNETIC) LIMITED

IN THE MATTER OF THE COMPANIES ACT, 1948

TAKING NOTICE that the above named company has been appointed liquidator of the above named company and that the liquidator has taken possession of the company's assets and is in a position to distribute the same to the creditors of the company.

Any creditor of the company who has not submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

## LEGAL NOTICES

NO NOTICE OF INTENT TO APPLY FOR A WRIT OF HABEAS CORPUS IN THE MATTER OF THE LIBRA (MAGNETIC) LIMITED

IN THE MATTER OF THE COMPANIES ACT, 1948

TAKING NOTICE that the above named company has been appointed liquidator of the above named company and that the liquidator has taken possession of the company's assets and is in a position to distribute the same to the creditors of the company.

Any creditor of the company who has not submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to object to the liquidator's distribution of the company's assets.

Any creditor of the company who has submitted a claim to the liquidator by the date of this notice shall be deemed to have accepted the liquidator's statement of assets and liabilities and shall not be entitled to







## TV/LONDON

**BBC 1**

BBC 2

TV/LONDON

## Radio-4

### **Radio 3**

### Radio 1

5.00 Amos As Radio 2. 7.00 Mike Road.  
3.00 Simon Balas. 11.30 Dave Lea  
Travel. 2.00pm Paul Burnett. 3.30  
Steve Wright. 4.00 Peter Toole. 7.00  
Tina's' Alive. 8.00 David Jensen.  
10.00 John Peel. 12.00 midweek  
Close.

**World Service**

BBC World Service can be received in  
Western Europe on medium wave (848 kHz)  
and on the following times GMT:  
Monday, 7.00 World News. 7.09 Twenty-  
Four Hours News Summary. 7.30 Country  
Style. 7.55 Short Story. 8.00 World News.  
8.05 Reflections. 8.15 The London Bach.  
8.30 Musical Memories. 9.00 World News.  
9.30 Reviews of the British Press. 9.15 News  
9.25 Reflections. 9.35 The London Bach. 9.35  
Interlude. 9.40 Luck Ahead. 9.45 A Word in  
the Street. 10.00 News. 10.05 The World  
at Large. 10.30 Sunday. 11.00 The Navy List.  
11.30 Sunday of the Day. The Navy List.

[illegible]

**CENTRAL**

As Thames except: 1.20-1.30 News.  
10.00 Film: *Ally the Way* (Warner  
Mitchell). Comedy about self-made  
man who intends to get to the top.  
10.30-7.00 News. 10.30 Parents and  
Teenagers. 11-11.25 News. 11.25 Left,  
Right and Centre. 11.45 Parents and  
Teenagers. 12.15 Something Different.  
12.30 Closedown.

**GRAMPIAN**

As Thames except: Starts 9.25-9.38  
First Thing, 1.20-1.30 News. 2.30-  
2.45 Film: *Butterflies*. Burlesque.  
Carmichael, Janette Scott. Newly  
wedded set up home in a houseboat.  
6.00 North Tonight. 6.30-7.00 Cause  
for Concern. 10.30 Film: *Barbarella*  
(Jane Fonda). Science fiction fantasy  
with Barbarella off on holiday. 12.20

### TVS

**As Thames continues: 1.20-1.30 News.**  
**2.30-3.15 Film: Frankie Turn (Jean  
 Kent, James Cagney). Musical Film**  
**performer talks for the pilot of a**  
**million flower brand in her garden. 5.15**  
**Film: 2.30-4.45 Coast to Coast. 6.00-**  
**10.00 Haricot 7.00. 10.30 Full Life:**  
**Admiral Sir Francis, 11.00 Film:**  
**Department With a Killer. Mustard**  
**Green is the first assignment for a**  
**newly recruited agent. 11.30-12.00**  
**Comedy film, followed by Close-down.**

### TYNE TELES

**As Thames continues: Start 9.30 Good**  
**Word. 9.25-9.30 News. 1.20-1.30**  
**News, Lookaround. 2.30-4.15 Film:**  
**Don't Shoot Your Head (Hugh Marlowe).**  
**Thriller. 4.15-4.45 Hatter's Castle. 5.00**  
**News. 6.00 Mr. and Mrs. 6.30-7.00**  
**Thriller. 7.00-7.15 News. 7.15-7.30**  
**Prisling. 11.15 Low Grant. 10.25**  
**ser's Corner. 12.20 Close-down.**

## ENTERTAINMENTS

10-11:30 AM. Unit 27  
 11:30 AM. Unit 28  
 12:30 PM. Unit 29  
 1:30 PM. Unit 30  
 2:30 PM. Unit 31  
 3:30 PM. Unit 32  
 4:30 PM. Unit 33  
 5:30 PM. Unit 34  
 6:30 PM. Unit 35  
 7:30 PM. Unit 36  
 8:30 PM. Unit 37  
 9:30 PM. Unit 38  
 10:30 PM. Unit 39  
 11:30 PM. Unit 40  
 12:30 AM. Unit 41  
 1:30 AM. Unit 42  
 2:30 AM. Unit 43  
 3:30 AM. Unit 44  
 4:30 AM. Unit 45  
 5:30 AM. Unit 46  
 6:30 AM. Unit 47  
 7:30 AM. Unit 48  
 8:30 AM. Unit 49  
 9:30 AM. Unit 50  
 10:30 AM. Unit 51  
 11:30 AM. Unit 52  
 12:30 PM. Unit 53  
 1:30 PM. Unit 54  
 2:30 PM. Unit 55  
 3:30 PM. Unit 56  
 4:30 PM. Unit 57  
 5:30 PM. Unit 58  
 6:30 PM. Unit 59  
 7:30 PM. Unit 60  
 8:30 PM. Unit 61  
 9:30 PM. Unit 62  
 10:30 PM. Unit 63  
 11:30 PM. Unit 64  
 12:30 AM. Unit 65  
 1:30 AM. Unit 66  
 2:30 AM. Unit 67  
 3:30 AM. Unit 68  
 4:30 AM. Unit 69  
 5:30 AM. Unit 70  
 6:30 AM. Unit 71  
 7:30 AM. Unit 72  
 8:30 AM. Unit 73  
 9:30 AM. Unit 74  
 10:30 AM. Unit 75  
 11:30 AM. Unit 76  
 12:30 PM. Unit 77  
 1:30 PM. Unit 78  
 2:30 PM. Unit 79  
 3:30 PM. Unit 80  
 4:30 PM. Unit 81  
 5:30 PM. Unit 82  
 6:30 PM. Unit 83  
 7:30 PM. Unit 84  
 8:30 PM. Unit 85  
 9:30 PM. Unit 86  
 10:30 PM. Unit 87  
 11:30 PM. Unit 88  
 12:30 AM. Unit 89  
 1:30 AM. Unit 90  
 2:30 AM. Unit 91  
 3:30 AM. Unit 92  
 4:30 AM. Unit 93  
 5:30 AM. Unit 94  
 6:30 AM. Unit 95  
 7:30 AM. Unit 96  
 8:30 AM. Unit 97  
 9:30 AM. Unit 98  
 10:30 AM. Unit 99  
 11:30 AM. Unit 100  
 12:30 PM. Unit 101  
 1:30 PM. Unit 102  
 2:30 PM. Unit 103  
 3:30 PM. Unit 104  
 4:30 PM. Unit 105  
 5:30 PM. Unit 106  
 6:30 PM. Unit 107  
 7:30 PM. Unit 108  
 8:30 PM. Unit 109  
 9:30 PM. Unit 110  
 10:30 PM. Unit 111  
 11:30 PM. Unit 112  
 12:30 AM. Unit 113  
 1:30 AM. Unit 114  
 2:30 AM. Unit 115  
 3:30 AM. Unit 116  
 4:30 AM. Unit 117  
 5:30 AM. Unit 118  
 6:30 AM. Unit 119  
 7:30 AM. Unit 120  
 8:30 AM. Unit 121  
 9:30 AM. Unit 122  
 10:30 AM. Unit 123  
 11:30 AM. Unit 124  
 12:30 PM. Unit 125  
 1:30 PM. Unit 126  
 2:30 PM. Unit 127  
 3:30 PM. Unit 128  
 4:30 PM. Unit 129  
 5:30 PM. Unit 130  
 6:30 PM. Unit 131  
 7:30 PM. Unit 132  
 8:30 PM. Unit 133  
 9:30 PM. Unit 134  
 10:30 PM. Unit 135  
 11:30 PM. Unit 136  
 12:30 AM. Unit 137  
 1:30 AM. Unit 138  
 2:30 AM. Unit 139  
 3:30 AM. Unit 140  
 4:30 AM. Unit 141  
 5:30 AM. Unit 142  
 6:30 AM. Unit 143  
 7:30 AM. Unit 144  
 8:30 AM. Unit 145  
 9:30 AM. Unit 146  
 10:30 AM. Unit 147  
 11:30 AM. Unit 148  
 12:30 PM. Unit 149  
 1:30 PM. Unit 150  
 2:30 PM. Unit 151  
 3:30 PM. Unit 152  
 4:30 PM. Unit 153  
 5:30 PM. Unit 154  
 6:30 PM. Unit 155  
 7:30 PM. Unit 156  
 8:30 PM. Unit 157  
 9:30 PM. Unit 158  
 10:30 PM. Unit 159  
 11:30 PM. Unit 160  
 12:30 AM. Unit 161  
 1:30 AM. Unit 162  
 2:30 AM. Unit 163  
 3:30 AM. Unit 164  
 4:30 AM. Unit 165  
 5:30 AM. Unit 166  
 6:30 AM. Unit 167  
 7:30 AM. Unit 168  
 8:30 AM. Unit 169  
 9:30 AM. Unit 170  
 10:30 AM. Unit 171  
 11:30 AM. Unit 172  
 12:30 PM. Unit 173  
 1:30 PM. Unit 174  
 2:30 PM. Unit 175  
 3:30 PM. Unit 176  
 4:30 PM. Unit 177  
 5:30 PM. Unit 178  
 6:30 PM. Unit 179  
 7:30 PM. Unit 180  
 8:30 PM. Unit 181  
 9:30 PM. Unit 182  
 10:30 PM. Unit 183  
 11:30 PM. Unit 184  
 12:30 AM. Unit 185  
 1:30 AM. Unit 186  
 2:30 AM. Unit 187  
 3:30 AM. Unit 188  
 4:30 AM. Unit 189  
 5:30 AM. Unit 190  
 6:30 AM. Unit 191  
 7:30 AM. Unit 192  
 8:30 AM. Unit 193  
 9:30 AM. Unit 194  
 10:30 AM. Unit 195  
 11:30 AM. Unit 196  
 12:30 PM. Unit 197  
 1:30 PM. Unit 198  
 2:30 PM. Unit 199  
 3:30 PM. Unit 200  
 4:30 PM. Unit 201  
 5:30 PM. Unit 202  
 6:30 PM. Unit 203  
 7:30 PM. Unit 204  
 8:30 PM. Unit 205  
 9:30 PM. Unit 206  
 10:30 PM. Unit 207  
 11:30 PM. Unit 208  
 12:30 AM. Unit 209  
 1:30 AM. Unit 210  
 2:30 AM. Unit 211  
 3:30 AM. Unit 212  
 4:30 AM. Unit 213  
 5:30 AM. Unit 214  
 6:30 AM. Unit 215  
 7:30 AM. Unit 216  
 8:30 AM. Unit 217  
 9:30 AM. Unit 218  
 10:30 AM. Unit 219  
 11:30 AM. Unit 220  
 12:30 PM. Unit 221  
 1:30 PM. Unit 222  
 2:30 PM. Unit 223  
 3:30 PM. Unit 224  
 4:30 PM. Unit 225  
 5:30 PM. Unit 226  
 6:30 PM. Unit 227  
 7:30 PM. Unit 228  
 8:30 PM. Unit 229  
 9:30 PM. Unit 230  
 10:30 PM. Unit 231  
 11:30 PM. Unit 232  
 12:30 AM. Unit 233  
 1:30 AM. Unit 234  
 2:30 AM. Unit 235  
 3:30 AM. Unit 236  
 4:30 AM. Unit 237  
 5:30 AM. Unit 238  
 6:30 AM. Unit 239  
 7:30 AM. Unit 240  
 8:30 AM. Unit 241  
 9:30 AM. Unit 242  
 10:30 AM. Unit 243  
 11:30 AM. Unit 244  
 12:30 PM. Unit 245  
 1:30 PM. Unit 246  
 2:30 PM. Unit 247  
 3:30 PM. Unit 248  
 4:30 PM. Unit 249  
 5:30 PM. Unit 250  
 6:30 PM. Unit 251  
 7:30 PM. Unit 252  
 8:30 PM. Unit 253  
 9:30 PM. Unit 254  
 10:30 PM. Unit 255  
 11:30 PM. Unit 256  
 12:30 AM. Unit 257  
 1:30 AM. Unit 258  
 2:30 AM. Unit 259  
 3:30 AM. Unit 260  
 4:30 AM. Unit 261  
 5:30 AM. Unit 262  
 6:30 AM. Unit 263  
 7:30 AM. Unit 264  
 8:30 AM. Unit 265  
 9:30 AM. Unit 266  
 10:30 AM. Unit 267  
 11:30 AM. Unit 268  
 12:30 PM. Unit 269  
 1:30 PM. Unit 270  
 2:30 PM. Unit 271  
 3:30 PM. Unit 272  
 4:30 PM. Unit 273  
 5:30 PM. Unit 274  
 6:30 PM. Unit 275  
 7:30 PM. Unit 276  
 8:30 PM. Unit 277  
 9:30 PM. Unit 278  
 10:30 PM. Unit 279  
 11:30 PM. Unit 280  
 12:30 AM. Unit 281  
 1:30 AM. Unit 282

## CONCERTS

**ment.**  
 e categories, tel.:  
**ages and Deaths**  
 01-837 3311  
 01-278 9161  
 01-278 9231  
 01-278 9351  
 it is open for the  
 day, 9am-5.30pm.  
 gruing classified  
 phone answering  
 ements that have  
 tions, tel.:  
 1234, Extn 7180  
 e conditions of  
 copies of which  
 ear publishing  
 day, Friday for  
 ns to copy is 3.0  
 Monday's issue  
 cancellations a  
 rtisation. On any  
 ter, this Stop

CHILDREN OF A LESSER GOD  
PLAY OF THE YEAR

ne (min 2 lines)  
 ay (min 3 cms)  
 ay (min 3 cms)  
 ne (min 2 lines)  
 ay (min 3 cms)  
 ay (min 3 cms)  
 ne (min 2 lines)  
 ay (min 3 cms)  
 ay (min 3 cms)  
 cm full display  
 (min 5 cms)  
 £5.00 per line  
 £5.00



# Power stations at risk if NUM supports Aslef

By Paul Routledge, Labour Editor

The train drivers' pay and productivity dispute, now entering its fifth disruptive week, threatens to affect power supplies as miners' leaders meet to consider tangible support for the striking firemen.

Mr Raymond Buckton, general secretary of the Associated Society of Locomotive Engineers and Firemen (Aslef), disclosed yesterday that he had renewed his appeal for understanding and help to other TUC-affiliated unions in a fresh round of letters sent at the weekend.

Speaking on London Weekend Television's "Weekend World", he said: "Other unions are ready, willing and able to help us. Action by miners might put coal supplies to power stations 'in jeopardy', he added, saying: "Something has to be done pretty quickly."

Mr Buckton's approach to other unions will be considered by the executive of the National Union of Mineworkers on Thursday, the second day of the latest round of Aslef mid-week walkouts. Miners in Yorkshire are already banning the use of lorries to replace the huge "We'll win" trains that take coal from the pits to power stations, and this is expected to become national NUM policy.

Mr Owen Brice, secretary of the Yorkshire miners, said last night: "We'll win" is a letter from Ray Buckton, and bearing in mind the support that Aslef gave us in our strikes, we will adopt what is happening in Yorkshire now as national policy."

## More support than people realize

The footplate men's leader insisted yesterday: "There is more support for our case than people realize". There had been messages of support from many trade unionists, including miners, general and municipal workers, electricians, engineers and civil servants, he said. His members were determined "to a man" to continue strike action until they received justice, though this was not just an Aslef fight. "The whole system of industrial relations in this country is in jeopardy," he argued.

By contrast Sir Peter Parker, BR chairman, speaking on the same programme, said that BR had made the system more efficient to convince the Government that it should put more money into it. "It is

# BR could lose £80m on freight

Continued from page 1

ate consumption, BR has high hopes that much will still be there to be lifted when the strike ends. But a lot is moving by road, and some of this, together with the general merchandise, could be lost to rail for good.

That poses a direct threat to "commercial railway" freight, like main line electrification, which is based on higher traffic forecasts than now seem likely.

On top of the £20m-£25m already lost, BR fears that another £40m of freight will be lost during the rest of the year, even if the strike ends now, and the total could be £80m if more lost freight stays with road. This is nearly a fifth of BR's total freight budget already at risk.

On the passenger side, losses at £30m to £35m so far have been higher than for freight, but proportionally less because passenger revenue, at around £1,100 a year, is about twice that of freight.

The passenger business, which was already down before the strike to only about 7 per cent of the country's total, breaks down into about £55m a year for Inter-City, £400m from London and South-east commuters and around £200m from rural and other provincial services.

Of the £8.5m a week traffic loss so far, more than half is thought to be Inter-City (the fastest are still going through the computer) and more than a third commuter.

BR is quite confident of winning back nearly all this traffic, but less so of the other provincial services. On Inter-City there is evidence that even now firms are rearranging business meetings to the days when trains are running.

"On those days traffic is good up to about mid-afternoon," BR says, "but we cannot be sure what is happening on the stop it. It is very worrying. There is an inherent strength in Inter-City that does not apply to them."

Perhaps the worst thing as the dispute enters its fifth week is that BR does not know how to stop it. It is frankly amazed at the apparent solidarity of moderate drivers over the flexible hours which are standard practice in Europe and which BR claims must be introduced now. Without better control procedures, they will not get the business of the new investment, and their jobs will go anyway," a spokesman said.



## A man with time on his hands

Mr George Daniels, of London, painstakingly examining a pocket watch, which it takes him a year to make. Each part is hand-made to very exacting standards, and this seems to be reflected in the price. A relatively inexpensive model would cost around £45,000.

"I make it a point never to discuss prices," he said, "but I do not make them just for the money."

Next year, however, he moves into the "mass-production" market. "I plan to make

six similar watches. Each will contain more than 10 years of watch-making and research, and if properly looked after, I will guarantee their accuracy for as long as the materials last—almost forever."

Mr Daniels has completely hand-made just a dozen pocket watches, each with its own individual innovation, such as a rotating escapement to average away all possible errors which may occur in different positions, and all have a needle which shows how much the watch has been wound, and when it needs re-winding.

Mr Daniels, aged 55, came from a poor north London background. However, at the age of five, as his father went to work he would dismantle the alarm-clock on the mantelpiece, and have it back on the sleep working, when his father returned.

Unqualified, Mr Daniels became a watch repairer in 1947. Evening classes in physics and maths, his worst subjects at school, helped him to achieve his Fellowship of the British Horological Institute in 1952. He has written extensively on horology and is a specialist consultant for Sotheby's.

# Letter from New York

## Taxi-dancing is back — at a dollar a time

Anthropologists would have had a field day. Peter West and Judith Chalmers would have been beside themselves. Those who want to see the quickstep elevated to an Olympic sport would have glowed with pride. The ancient (well, 61-year-old) custom of taxi-dancing has returned in style to New York.

Not everyone can say he has danced with a girl, who danced with a girl, who danced with John Travolta. But on Thursday night at New York's famous Roseland ballroom I foxrotted with Kathy, aged 26, from Brooklyn. Kathy, an out-of-work dancer, last worked in Saturday Night Fever and our dance cost me \$1. It lasted three minutes.

Roseland, on Broadway, was famous in the twenties for its taxi-dancers—girls who, at 10 cents a dance, would help budding Fred Astaires shuffle their way through a samba, a tango or a quickstep (remember? That's the one where you cha-cha). The films and music of the time usually presented taxi-dancing as a rather sad affair, reflected, for example, in the Rodgers and Hart tune of 1930, called "Ten Cents a Dance".

The revival of the price of a dance reflects the interruption of 40 years; but other things have changed. For a start there are now male taxi-dancers on offer as well. The one I spoke to, Cary, turned out to be from Liverpool and also works as a male stripper. Going back to the girls, Connie, aged 26, in a green flowered frock, pink shoes and orange gloves, said she also doubled as a singing waitress at a seafood restaurant in Calumet and Blue Moon.

Engraved here are the names of every married couple who met at Roseland, starting in 1944, just as taxi-dancing was dying on its feet. There are hundreds of names on the list.

As in Britain, widows in New York outnumber widowers considerably, and across the floor from the bright new hostesses sit row upon row of white haired matrons, all heavily rouged, some in raffia, one in a long dress. None of them was smiling.

The taxi-dancers are a threat to their search for a new husband (albeit the fourth or fifth in many cases).

Lurleen, originally from Texas, now a sociology student and also 26, was one of the many hostesses who sensed what was going on across the room. We shuffled around in a sort of clinch, trying to avoid getting caught in one of those good, old-fashioned snailshells. "Be careful," she said, "I'm getting a lot of heavy negativity from those old ladies over there."

Only Connie was really happy. The band was playing Blue Moon.

Maybe the sadness had something to do with the de-

mise of taxi-dancing after the war. It didn't match the optimism of the times. Maybe the current recession is one of the reasons it is back, revived by Roseland's new owner, Mr Al Ginsberg, a builder from Washington whose appetite for the past is matched only by the size of his cigars.

The dancers receive a tiny wage but may keep all the dollars they earn. And Tony Marcelli's orchestra is obliged to get through 20 numbers every hour, so to keep up the earnings potential of the dancers. There are no chaperones, as there used to be in some of the early dance halls; but you must buy a ticket to exchange for a dance. You cannot find over cash for legal reasons.

All of which sounds fine on paper, except that the whole venture looks like a setting Roseland's regulars. You might expect these regulars to be nostalgic and enjoy taxi-dancing. After all, their mean age is closer to 26 than back then (who else can go dancing at 26 in the afternoon?). But the truth is that Roseland is no longer simply about dancing, as an enormous plaque on the wall testifies.

Engraved here are the names of every married couple who met at Roseland, starting in 1944, just as taxi-dancing was dying on its feet. There are hundreds of names on the list.

As in Britain, widows in New York outnumber widowers considerably, and across the floor from the bright new hostesses sit row upon row of white haired matrons, all heavily rouged, some in raffia, one in a long dress. None of them was smiling.

The taxi-dancers are a threat to their search for a new husband (albeit the fourth or fifth in many cases).

Lurleen, originally from Texas, now a sociology student and also 26, was one of the many hostesses who sensed what was going on across the room. We shuffled around in a sort of clinch, trying to avoid getting caught in one of those good, old-fashioned snailshells. "Be careful," she said, "I'm getting a lot of heavy negativity from those old ladies over there."

Only Connie was really happy. The band was playing Blue Moon.

Maybe the sadness had something to do with the de-

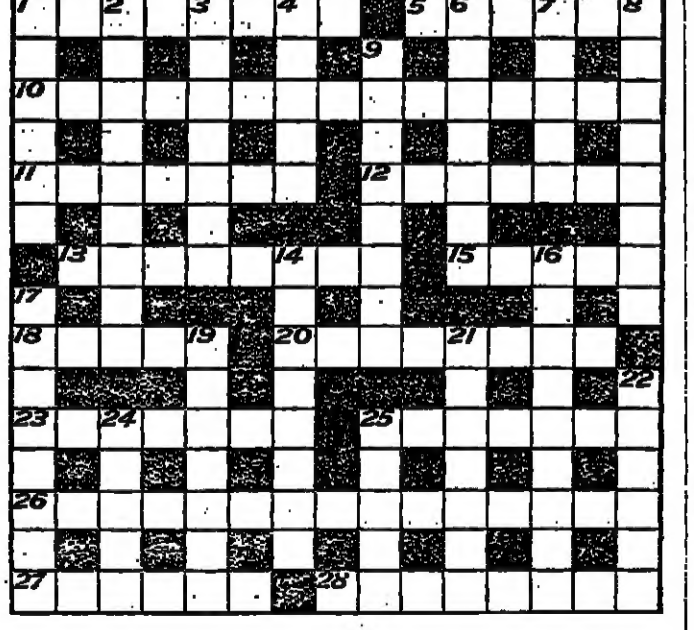
# THE TIMES INFORMATION SERVICE

## Today's events

**Royal engagements**  
Queen Elizabeth the Queen Mother attends a reception by the Trustees and Friends of the Tate Gallery before opening the exhibition of paintings by Sir Edwin Landseer, 7.45.

**Exhibitions**  
Tribal Encounters, an exhibition of ethnic objects collected by David Alexander, at the Shire Museum and Art Gallery, New Walk, Leicester, 10 to 5.30.  
Royal Wedding Dress and Presents on display at the Palace of Holyrood House, Edinburgh, 9.30 to 4.30.

**The Times Crossword Puzzle No 15,750**



- ACROSS**
- 1 It's growing in the street (8)
  - 2 Capital aphorism after crude return (6)
  - 3 They appear harder-up, going into matches for profit (8-7)
  - 4 Bringing in their catches, fishermen dangle (7)
  - 5 Proscribes those not married monially linked? (7)
  - 6 Pharaoh's a different sort of carriage (8)
  - 7 In cover, note — and ready to catch the birds (5)
  - 8 Put down or put back. Splendid (8)
  - 9 Change the panel — don't want a white one (8)
  - 10 Some permit needed for a hen (7)
  - 11 Mount accepts a toffee (7)
  - 12 — and good in every thing (AYLW) (7, 2, 6)
  - 13 In costume the union leader showed restraint (6)
  - 14 Secret — elaborate production of Scottish river cloth (4-4)
- DOWN**
- 1 Negative evidence here (6)
  - 2 Make home in primitive surroundings in all serious cases (9)
  - 3 Offence with article describing war (7)
  - 4 African royal drink (5)

**The Solution of Saturday's Prize Puzzle No 15,749 will appear next Saturday**

**Goldsmith's College Gallery, SW14, 12 to 7**  
Ratford Webb, retrospective exhibition, Leicester Polytechnic, Leicester, 10 to 8.  
Work by John Harper and a bicentenary print by Paul Brower: Chypter Gallery, Market Road, Canton, Cardiff, 12 to 10.  
Paintings and drawings by Harold Gilman, Birmingham Museum and Art Gallery, Birmingham, 10 to 5.30.  
Plants of South China, 43 drawings by a Cantonese of Macao artist, Eyo and Hobhouse, 39 Duke Street, St James's, SW1, 10 to 5.30.  
Recent work by Basil Beattie, 11.30.

**Talks, lectures**  
Turner's historical landscapes, by Jennifer Storey, Tate Gallery, 11.30.  
Edward Mayhew, the first photographer to capture and demonstrate true colour, by Mrs A. Baker, Heritaz Unit, Fairfield West, Kingston-upon-Thames, 1.10.  
Sunshine's use of Narrative, by Barbara Harvill, London School of Hygiene and Tropical Medicine, Keppel Street, Gower Street, EC1, 1.15 to 7.45.  
Footprint, portrait of a great painter, and Open Window: National Gallery, 11.30.

**The educational consequences of Northern Ireland**, by Michael, Keele University, 8.15.  
**Music**  
Piano recital by Philip Pilkington, St. Lawrence Jewry, Gresham Street, 7.30.  
Concert by Northern Sinfonia of England, Newcastle City Hall, Newcastle, 8.

**Academy of Ancient Music**, chamber recital at Arts Centre Theatre, Warwick University, Warwick, 7.30.  
**London's Ghosts, allures and oddities**, meet Embankment Underground, 7.30.

**Auctions today**  
Christie's, South Kensington: Armonico, Rosewood (Oleu-oucou and drawings, 2; oriental ceramics and drawings, 9 to 5; watercolours and drawings, 9 to 5; Christie's, King Street: English drawings and watercolours; English and Continental glass; Russian and Greek icons; objects of art, Chinese furniture, eastern rugs and carpets, 2.15 to 7.  
Christie's, South Kensington: Oriental ceramics, 9.15 to 12; watercolours, 9.15 to 12; pictures, drawings and watercolours, removed from the studio of K. Niven, 9.30 to 4.30; silver, 9.30 to 4.30; oriental and Islamic carpets and costumes, 9.30 to 7; old and modern jewelry, 9.30 to 4.30; carpets and objects of art, 9.15 to 7; English and Continental pictures, 1.15 to 7; furniture, 1 to 7; European ceramics, 5 to 7.  
Phillips, Newington Street: carpets and works of art; antique and modern jewelry; Chinese, Japanese and Middle Eastern ceramics and works of art; decorative arts, ceramics, all 9 to 4.30.  
Sotheby's, Bond Street: jewelry, 9.30 to 4.30; totem-pole paintings, 9.30 to 4.30; Sotheby's, Rafflesia: toys and children's furniture, 9.30 to 4.30.

**Viewing**  
Bondham, Montpelier Street: silver and glass, 9 to 4; European oil paintings, 9 to 5; watercolours and drawings, 9 to 5; Christie's, King Street: English drawings and watercolours; English and Continental glass; Russian and Greek icons; objects of art, Chinese furniture, eastern rugs and carpets, 2.15 to 7.  
Christie's, South Kensington: Oriental ceramics, 9.15 to 12; watercolours, 9.15 to 12; pictures, drawings and watercolours, removed from the studio of K. Niven, 9.30 to 4.30; silver, 9.30 to 4.30; oriental and Islamic carpets and costumes, 9.30 to 7; old and modern jewelry, 9.30 to 4.30; carpets and objects of art, 9.15 to 7; English and Continental pictures, 1.15 to 7; furniture, 1 to 7; European ceramics, 5 to 7.  
Phillips, Newington Street: carpets and works of art; antique and modern jewelry; Chinese, Japanese and Middle Eastern ceramics and works of art; decorative arts, ceramics, all 9 to 4.30.  
Sotheby's, Bond Street: jewelry, 9.30 to 4.30; totem-pole paintings, 9.30 to 4.30; Sotheby's, Rafflesia: toys and children's furniture, 9.30 to 4.30.

**THE TIMES NEWSPAPERS LIMITED 1982**  
Printed and Published by Times Newspapers Limited, 1, Abchurch Lane, London EC4N 3DF.  
Telephone: 01-534 7000. Telex: 900000. Cable: 900000.  
© The Times Newspaper Group, 1982.

## The Pound

|                 | Bank    | Bank    |
|-----------------|---------|---------|
| Australia \$    | 1.79    | 1.71    |
| Belgium Fr      | 32.25   | 30.25   |
| Canada Cdn      | 55.00   | 52.00   |
| Denmark Kr      | 16.12   | 15.12   |
| Finland Mk      | 8.74    | 8.29    |
| France Fr       | 11.58   | 10.98   |
| Germany DM      | 2.36    | 2.26    |
| Greece Dr       | 123.50  | 114.50  |
| Hongkong \$     | 11.30   | 10.70   |
| Italy Lit       | 2430.00 | 2330.00 |
| Japan Yen       | 162.00  | 152.00  |
| Netherlands Gld | 4.28    | 4.08    |
| Portugal Esc    | 133.00  | 125.00  |
| Spain Ptas      | 166.50  | 156.50  |
| Sweden Kr       | 11.15   | 10.55   |
| Switzerland Fr  | 5.68    | 5.48    |
| USA \$          | 1.93    | 1.85    |

Prices for small denomination bank notes only, as supplied yesterday by the Bank of England.  
London: The FT Index was up 3.3 at 278.8 on Friday.

## Nature notes

First blackbirds are singing from low boughs and chimney pots, at sunset. Yellowhammers begin to sound along country roads, their head and breast brilliant yellow in their spring plumage. Robins are forming into pairs: the females have abandoned their own territories, and each flits back persistently into the territory of the male. He will accept her and let her stay unhindered. He will go on defending the territory, by flight, song and by the use of his beak. In other robin invaders, distinct flocks are to be heard singing. This year the species was evidently hit by the cold. Alder catkins, swine, the trees, a dappled red and yellow, side by side with the purple, egg-shaped female catkins, and the old seed-cones from last year. On the lime-trees, the buds are red, two or three pink and olive. Colours are appearing on hawthorn branches. The colchicot leaves now emerge, flat on the ground, after the flowers are out. In the woods, winter acornets, the earliest to bloom of the butterfly fauna, display their yellow flowerheads with a ruff of leaves below: they are a southern European flower that has gone native in Britain. DJM

## Church music

Southwark Cathedral, today: Harry Brummage (organ), 1.10 pm.  
Chichester Cathedral, tomorrow: Harcourt Reddall (violin), 1.10 pm.  
St Paul's Cathedral, Friday: Anthony Gould (organ), 12.30 pm.

## Bond winners

Winning numbers in the weekly draw for £100,000, £50,000 and £25,000 — Premium Bond prizes announced on Saturday are: £100,000: No 478, 469235 (the winner lives in Cheshire); £50,000: No 1327, 814308 (Surrey); £25,000: No 287, 230308 (Enfield, north London).

## Sporting fixtures

Football: Fourth division: Port Vale v Wigan Athletic.  
Rugby: Meetings at Pontefract (1.30) and Wolverhampton (1.15).

## Rail

Near normal rail services are expected on most BR regions following yesterday's Aslef strike, with computer services operating as usual, but subject to last-minute cancellations on some lines. But night services will be truncated ahead of tomorrow's stoppage.

## Road

Scotland: A95: Temporary signals near Grantown-on-Spey, Invernesshire: A332: traffic lights operating between Achnacraig and Achnacraig (indicate delays); A9: all traffic sharing one carriageway at junction 10 (Stirling); the AA reports the A95 and the A95: A332: Major repairs on Bournemouth bypass, near railway station; A30: delays between Achnacraig and Achnacraig (indicate delays); A4075: Road works between Haverfordwest and Milford Haven, Dyfed.

## Belgian strikes

Services in Belgium will be paralysed for 24 hours today by a general strike called in protest at government austerity measures. There will be no trains, law courts, newspapers, buses, office and telephone services, or canteens. Hospitals, radio and television, pharmacies and fire services will run minimum services, and most big industries face a total standstill.

## The papers

Sir Freddie Laker's failure is a tragedy The Sunday Times says in an editorial. It criticises the bank for failing to exercise control over its investments. No responsible financial institution could abandon non-market services, but the Laker legacy of cheap air travel should not be allowed to die and price-fixing cartels take over.

The Observer urges Sir Geoffrey Howe, the Chancellor, to abandon non-market services, but the Laker legacy of cheap air travel should not be allowed to die and price-fixing cartels take over.

Mr Francis Pryn is congratulated in the Sunday Telegraph for warning the public to expect falling living standards and a hard struggle ahead. "Are we as a country so wedded to ill-fated ideas that we cannot see the shocking?" the paper asks.

## Anniversaries

Births: John Ruskin, London, 1819; Jules Verne, Nantes, 1828.  
Deaths: Queen of Scots was executed at Fotheringhay Castle, Northamptonshire, 1587. The Earl of Mayo, Viceroy of India, was assassinated at Port Blair, Andaman Islands, 1872.

## Parliament today

Commons (2.30): Employment Bill, second reading.  
Lords (2.30): Antiquities Bill, second reading; debate on European committee report on banks.

## Weather

A ridge of high pressure over the British Isles will move E as a deep depression advances towards Iceland.

## 6 am to midnight

Central S. England, Midlands: Sunny periods, some mist or fog at first, becoming cloudy; rain from W during afternoon; wind W, light, becoming S, strong; sea calm; max temp 10°C (49°F).  
Channel Isles, SW, NW England: Wales, Lake District, Isle of Man, SW Scotland: N Ireland: Bright at first, sun becoming cloudy; periods of rain; wind W, moderate, becoming S, strong; sea calm; max temp 9 to 11°C (48 to 52°F).  
Central N. England, Borders, Eastern Scotland and Shetland: Sunny periods, becoming cloudy; sun turning to rain over lower ground, spreading from NW after midnight; wind W, moderate, becoming S, strong; sea calm; max temp 8 to 10°C (46 to 50°F).  
Aberdeen, Argyll, NW Scotland: Bright at first, sun becoming cloudy; sun turning to rain over lower ground, spreading from NW after midnight; wind W, moderate, becoming S, strong; sea calm; max temp 8 to 10°C (46 to 50°F).

## SEA PASSAGES: S. North Sea: Wind W, fresh or strong; sea moderate or rough; sun after midnight; rain over lower ground, spreading from NW after midnight; wind W, moderate, becoming S, strong; sea calm; max temp 8 to 10°C (46 to 50°F).

## Lighting-up times

|           | London  | Edinburgh | Glasgow | Belfast |
|-----------|---------|-----------|---------|---------|
| Start     | 7.30 am | 7.30 am   | 7.30 am | 7.30 am |
| End       | 5.16 pm | 5.16 pm   | 5.16 pm | 5.16 pm |
| Full moon | 7.57 am | 7.57 am   | 7.57 am | 7.57 am |

## Yesterday

|                  | Temp | Humidity | Wind  | Cloud |
|------------------|------|----------|-------|-------|
| London           | 14.5 | 65       | W, 10 | 100   |
| Edinburgh        | 13.5 | 65       | W, 10 | 100   |
| Glasgow          | 13.5 | 65       | W, 10 | 100   |
| Belfast          | 13.5 | 65       | W, 10 | 100   |
| Cardiff          | 13.5 | 65       | W, 10 | 100   |
| Manchester       | 13.5 | 65       | W, 10 | 100   |
| Newcastle        | 13.5 | 65       | W, 10 | 100   |
| Sheffield        | 13.5 | 65       | W, 10 | 100   |
| Nottingham       | 13.5 | 65       | W, 10 | 100   |
| Leeds            | 13.5 | 65       | W, 10 | 100   |
| York             | 13.5 | 65       | W, 10 | 100   |
| Doncaster        | 13.5 | 65       | W, 10 | 100   |
| Sheff Hallam     | 13.5 | 65       | W, 10 | 100   |
| Wakefield        | 13.5 | 65       | W, 10 | 100   |
| Bradford         | 13.5 | 65       | W, 10 | 100   |
| Leigh            | 13.5 | 65       | W, 10 | 100   |
| Oldham           | 13.5 | 65       | W, 10 | 100   |
| Rochdale         | 13.5 | 65       | W, 10 | 100   |
| Tameside         | 13.5 | 65       | W, 10 | 100   |
| Stockport        | 13.5 | 65       | W, 10 | 100   |
| Salford          | 13.5 | 65       | W, 10 | 100   |
| Wigan            | 13.5 | 65       | W, 10 | 100   |
| Bolton           | 13.5 | 65       | W, 10 | 100   |
| Chorley          | 13.5 | 65       | W, 10 | 100   |
| Preston          | 13.5 | 65       | W, 10 | 100   |
| Lancaster        | 13.5 | 65       | W, 10 | 100   |
| Carlisle         | 13.5 | 65       | W, 10 | 100   |
| Barrow           | 13.5 | 65       | W, 10 | 100   |
| Blackpool        | 13.5 | 65       | W, 10 | 100   |
| Morecambe        | 13.5 | 65       | W, 10 | 100   |
| Widnes           | 13.5 | 65       | W, 10 | 100   |
| Warrington       | 13.5 | 65       | W, 10 | 100   |
| St Helens        | 13.5 | 65       | W, 10 | 100   |
| Southport        | 13.5 | 65       | W, 10 | 100   |
| Merseyside       | 13.5 | 65       | W, 10 | 100   |
| Wirral           | 13.5 | 65       | W, 10 | 100   |
| Cheshire         | 13.5 | 65       | W, 10 | 100   |
| Derbyshire       | 13.5 | 65       | W, 10 | 100   |
| Nottinghamshire  | 13.5 | 65       | W, 10 | 100   |
| Lincolnshire     | 13.5 | 65       | W, 10 | 100   |
| Leicestershire   | 13.5 | 65       | W, 10 | 100   |
| Northamptonshire | 13.5 | 65       | W, 10 | 100   |
| Bedfordshire     | 13.5 | 65       | W, 10 | 100   |
| Hertfordshire    | 13.5 | 65       | W, 10 | 100   |
| Essex            | 13.5 | 65       | W, 10 | 100   |
| Suffolk          | 13.5 | 65       | W, 10 | 100   |
| Sussex           | 13.5 | 65       | W, 10 | 100   |
| West Sussex      | 13.5 | 65       | W, 10 | 100   |
| East Sussex      | 13.5 | 65       | W, 10 | 100   |
| Kent             | 13.5 | 65       | W, 10 | 100   |
| East Kent        | 13.5 | 65       | W, 10 | 100   |
| West Kent        | 13.5 | 65       | W, 10 | 100   |
| London           | 13.5 | 65       | W, 10 | 100   |